

**MINUTES FOR THE ZAMBIA EITI COUNCIL MEETING HELD ON THURSDAY 10
OCTOBER 2022, AT THE MULUNGUSHI INTERNATIONAL CONFERENCE CENTER**

PRESENT

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|----------------------------|---|---------------------------------|
| 1. Mr. Edmond Kangamungazi | - | Civil Society (PWYP) Member/V. |
| Chairperson | | |
| 2. Mr. Spyton Phiri | - | Government (ZRA) Member |
| 3. Mr. Emmanuel Chokwe | - | Bank of Zambia (Proxy) |
| 4. Mr. Francis Chilunga | - | Government (MoJ) Member |
| 5. Mr. Hugh Carruthers | - | Mining Industry (FQM) Member |
| 6. Mr. Sokwani Chilambo | - | Mining Industry (ZCM) Member |
| 7. Mr. Martford Mumba | - | Mining Industry (FSSMAZ) Proxy |
| 8. Mr. Felix Ngosa | - | Civil Society (NCA/DCA) Member |
| 9. Mr. Ucizi Ngulube | - | Civil Society (ActionAid) Proxy |

IN ATTENDANCE

- | | | |
|--------------------------|---|----------------------------------|
| 10. Mr. Ian Mwiinga | - | Head ZEITI Secretariat |
| 11. Ms. Mutinta Hadunka | - | ZEITI- Communications Officer |
| 12. Mr. Lupinda Chimwasu | - | ZEITI- Economist |
| 13. Mr. Kennedy Sinkala | - | ZEITI- Accountant |
| 14. Ms. Violet Mukanda | - | ZEITI- Secretary |
| 15. Mr. Markus Weimer | - | British High Commission-Observer |

ABSENT WITH APOLOGY

- | | | |
|---------------------------|---|----------------------------------|
| 16. Mr. Felix Nkulukusa | - | Government (MoF-ZEC |
| Chairperson) | | |
| 17. Mr. Mooya Lumamba | - | Government (MMMD) Member |
| 18. Mr. Chikusi Banda | - | Mining Industry (Mopani) Member |
| 19. Mr. Kayula Chimfwembe | - | Government (MoF) Member |
| 20. Ms. Musonda Kapena | - | Civil Society (Namfumu) Member |
| 21. Ms. Edah Chimya | - | Civil Society (ZAW) Member |
| 22. Mr. John Silungwe | - | Civil Society (MUZ) Member |
| 23. Mr. Musonda Kabinga | - | Civil Society (Actionaid) Member |
| 24. Mrs. Pauline Mundia | - | Mining Industry (FSSMAZ) Member |
| 25. Mr. Nsama Chikwanka | - | Civil Society (PWYP) Member |
| 26. Mr. Peter Zyambo | - | Government (BOZ) Member |
| 27. Mr. Evans Kanche | - | Mining Industry (AZMEC) Member |

1.0 OPENING REMARKS

In the absence of the Chairperson, the meeting was chaired by the Vice Chairperson, Mr. Edmond Kangamungazi. This was the first in person meeting since the outbreak of the Covid-19 pandemic. The chairperson welcomed the members present and also thanked the Chamber of Mines for hosting the in-person meeting.

The meeting commenced at 10:28hrs.

2.0 ADOPTION OF THE AGENDA

The agenda was adopted without any changes. The proposal to adopt was made by Mr. Sokwani Chilembo and seconded by Mr. Ucizi Ngulube.

3.0 APOLOGIES

The list of apologies is given on page.

4.0 CONFIRMATION OF MINUTES FOR THE PREVIOUS ZEC MEETING

The minutes were adopted by the members as a true record of the deliberations of the previous meeting after the following changes were made:

Page 3, item (iii) under Matters Arising should read ZEITI and not ZEII.

Page 5 first sentence should read PS responsible for Mines.

Page 7 there is need to put a comma after Thursday 2022.

The proposal to adopt the minutes was made by Mr. Hugh Carruthers and seconded by Mr. Spyton Phiri.

5.0 MATTERS ARISING (ACTION TAKEN REPORT)

i. Procurement of Independent Administrator

The members of the house were informed that the Expression of Interest was done and the Ministerial Procurement Committee (MPC) had issued a request for the successful bidders to submit their technical and financial proposals.

ii. Data collection

The ZEITI Secretariat reported that data collection was almost complete with over 90% of the data already collected. The members were informed that the current review of the EITI Standard might introduce new data disclosure requirements related to the energy transition and anti-corruption.

iii. Mainstreaming

The chairperson of the Mainstreaming Technical Working Group submitted informed the meeting that negotiations are still underway with the prospective web-developer on the possibility of creating of an online disclosure platform for ZEITI. Further updates will be provided at the next ZEC meeting.

iv. Implementation of the Beneficial Ownership road map

The meeting was informed that the beneficial ownership awareness raising meetings were held with professional bodies i.e. The Law Association of Zambia, Bankers Association of Zambia and Zambia Institute of Chartered Accountants. The meeting was also informed that the Opening Extractives programme will also sponsor a series of radio programmes to raise awareness on the beneficial ownership requirement in collaboration with agencies such as the Patents and Companies Registration Agency (PACRA), the Law Association of Zambia (LAZ), the Anti-Corruption Commission (ACC), and the Financial Intelligence Centre (FIC) among others.

v. Orientation training for new ZEC members from CSO constituency

The meeting was informed that the orientation of new ZEC members had not taken place due to financial constraints. An appeal was made to members to contribute financial resources towards the hosting of the orientation.

The ZEITI Secretariat also informed members that it will send out invitations for members to participate in webinars that are organised by the EITI International Secretariat from time to time.

6.0 PRESENTATION OF THE ZEITI THIRD QUARTER REPORT

i. Production of the 2021 ZEITI report

The meeting was informed that the following data for the production of the 2021 ZEITI report has been collected as follows:

In terms of requirement 2.1 of the EITI Standard, most of the contextual information has been collected focusing mostly on the latest developments in the sector. Notably, the ZCCM-IH has published information on the mineral audit that was conducted at Mopani.

In terms of requirements 2.2 and 2.3 on licence transparency, the Mining Cadastre has provided the list of active licences in 2021 and licences that were transferred in 2021. The data base of all licences has also been submitted.

In terms of requirements 2.4 and 2.5 relating to contract transparency and beneficial ownership respectively, the ZEITI has compiled key recommendations that arose from the contract transparency mapping that was conducted earlier this year. On beneficial ownership transparency, lessons from the current project on opening extractives have been documented.

In terms of requirement 2.6 relating to state participation in the mining sector, the ZCCM-IH has published its 2020 annual report. The 2021 annual report is currently being finalised in readiness for publication before the end of the year.

The ZEITI has also collected contextual information related to the administration of the Securities Exchange legislation for listed Mining companies on the Lusaka Stock Exchange and their statutory obligations.

In terms of requirements 3.1, 3.2, and 3.3 relating to exploration, production, and exports respectively the government has disclosed information on exploration companies in mining and also petroleum sector. The Mineral production and export figures have also been collected. However, the Geological Survey department is yet to provide information on mineral production value estimates as required by the EITI Standard.

The requirements on revenue management and data quality assurance procedures will be addressed by the Independent Administrator during the production of the 2021 ZEITI report.

On the procurement of the Independent Administrator (IA), the procurement department at the Ministerial Tender Committee approved the three shortlisted companies that expressed interest to undertake the consultancy assignment to produce the 2021 ZEITI report. A request for Technical and Financial proposals (RFPs) has been sent to the three companies. The deadline for submission of the RFPs is 20 October 2022.

ii. Beneficial Ownership transparency

The meeting was informed that the ZEITI conducted awareness raising meetings on beneficial ownership transparency with stakeholders drawn mostly from professional associations. Notably the Zambia Institute of Chartered Accountants (ZICA) and the Law Association of Zambia (LAZ) including the Bankers Association of Zambia (BAZ).

Furthermore, a meeting was also convened to raise awareness on beneficial ownership transparency amongst senior staff within the Ministry of Mines and Minerals Development.

In terms of technical support to the Patents and Companies Registration (PACRA) and the Mining Cadastre, the meeting was informed that the Open Ownership conducted a review of the Beneficial Ownership data collection templates for PACRA. A review of licence application forms is currently underway. A Beneficial Ownership legal review is yet to be undertaken to identify gaps and opportunities that will be used to strengthen the implementation of beneficial ownership transparency in Zambia.

iii. **The 54 EITI Board meeting**

The meeting was informed that the EITI Board convened in Oslo for its 54 meeting. The agenda included discussions relating to the refinements of the EITI Standard and findings from an independent evaluation of the EITI were discussed among other issues.

The meeting was also informed that, more than 50 EITI National Coordinators from all EITI implementing countries met in Oslo to share experiences and discussed how the EITI can be leveraged to address corruption risks, promote data analysis and strengthen revenue management, among other topics.

On the refinement to the 2019 EITI Standard, the meeting was informed that the ongoing refinement of the EITI Standard focus on streamlining EITI reporting to reduce the reporting burden while achieving the main objectives. This builds on the Board-approved flexibility provided to implementing countries during the COVID-19 pandemic and the preliminary findings of the pilot on alternative approaches to EITI reporting since 2020. Further, the proposed refinements to EITI Requirements 2.1, 4.1 and 4.9 provide more flexibility for implementing countries to adopt a risk-based approach to ensuring the comprehensiveness and reliability of government extractive industry revenue disclosures that draws from an audit approach.

The meeting was also informed that the the EITI's civil society constituency is forming an advisory group to select its representative members who will serve on the EITI Board for the period 2023 to 2026. All civil society member of national

EITI multi-stakeholder groups are eligible to select a regional representative on the advisory group by 31 October 2022.

iv. Review of the Mines and Minerals Development legislation

The meeting was informed that the ZEITI participated in the internal review of the Mines and Minerals Development legislation. The meeting was convened by the Ministry following the completion of the review of the National Mines and Minerals Development Policy.

The meeting requested the ZEITI to inform the members when the dates have been firmed up for the launch of the National Mines and Minerals Development Policy.

In relation to the refinements of the EITI Standard, the members wanted to know whether the refinements will also take into account the financial requirements for implementing the new standard. The ZEITI Secretariat indicated that at the moment the only probable support is from the World Bank and it is targeted at thematic areas. It was resolved that government would be requested to increase funding to the ZEITI Secretariat.

The meeting also resolved that a formal letter should be written to ZCCM-IH to get an update on when the 2021 Operations report will be issued. The operations report contains information needed to fulfil requirement 2.6 of the EITI Standard.

The members also implored the ZEITI Secretariat to follow up with the government on the production values as the non-availability of production values has been consistently raised as a gap in previous EITI Validations.

The meeting also bemoaned the lack of credible production figures for the ASM sector.

7.0 Presentation of the Third Quarter Financial Report

The meeting was informed that as of 30 September 2022, 74 percent of the total budget allocation had been spent. The meeting was informed that the ZEITI Secretariat had engaged the World Bank for a new grant support to the ZEITI. The Permanent Secretary at the Ministry of Mines and Minerals Development submitted the application on behalf of the ZEITI.

8.0 Updates from the EITI Board meeting in Oslo

This agenda item was deferred to the next ZEC meeting as the ZEC members who travelled to Oslo were unable to attend the meeting.

9.0 Closing remarks

In closing the Chairperson reiterated the need for the various stakeholders to support the disclosure of information to the EITI. A specific request was made to the ASM sector to support the process of ensuring data from the sector is accurate.

The meeting closed at 12:25hours.

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CHAIRPERSON

DATE

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SECRETARY

DATE

ACTION TAKEN REPORT

S/N	ISSUE	ACTION NEEDED	STATUS	BY WHOM
1	Procurement of Independent Administrator	Evaluate Technical and Financial Proposals	WIP	ZEITI/ZEC/MMMD
2	Implementation of the Beneficial Ownership road map	Radio awareness raising programs with stakeholders	WIP	ZEITI/ZEC/PACRA/LAZ/BAZ/ACC/PWC
3	Review of Mines and Minerals Development Act	Participate in the review of the MMDA and the Mines and Minerals Development Policy	WIP	ZEITI/MMMD/ZEC