

MINUTES FOR THE VIRTUAL ZAMBIA EITI COUNCIL MEETING HELD ON 27TH OCTOBER 2023

PRESENT

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| 1. Mr. Obert Kangwa | - | Government (ZRA) Member |
| 2. Ms. Sylvia Masabo | - | Government (MoLGH) Member |
| 3. Mr. Hugh Carruthers | - | Mining Industry (FQML) Member |
| 4. Mr. Chikusi Banda | - | Mining Industry (Mopani) Member |
| 5. Mr. Sokwani Chilembo | - | Mining Industry (CoM) Member |
| 6. Mr. Evans Kanche | - | Mining Industry (AZMEC) Member |
| 7. Mr. Martford Mumba | - | Mining Industry (FSSMAZ) Proxy |
| 8. Mr. Nsama Chikwanka | - | Civil Society (PWYP) Member |
| 9. Ms. Isabel Mukelebai | - | Civil Society (NCA) Member |
| 10. Mr. Ucizi Ngulube | - | Civil Society (Action Aid) |
| 11. Mr. Fletcher Mushimbwa | - | Civil Society (MUZ) |
| 12. Ms. Musonda Kapena | - | Civil Society (Namfumu) Member |
| 13. Ms. Edah Chimya | - | Civil Society (ZAW) Member |

IN ATTENDANCE

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| 1. Mr. Ian Mwiinga | - | Head ZEITI Secretariat |
| 2. Ms. Mutinta Hadunka | - | ZEITI- Communications Officer |
| 3. Mr. Kennedy Sinkala | - | ZEITI- Accountant |
| 4. Ms. Violet Mukanda | - | ZEITI- Secretary |
| 5. Mr. Chomba Chileshe | - | ZEITI- Intern |
| 6. Ms. Molly Ngoma | - | ZEITI- Intern |
| 7. Ms. Daisy Mwilima | - | Oxfam Zambia-Observer |
| 8. Mr. Norman Mukwakwami | - | Mining Industry (TRAFIGURA)Observer |
| 9. Ms. Tamika Halwiindi | - | Civil Society (TIZ) Observer |

ABSENT WITH APOLOGY

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| 1. Mr. Felix Nkulukusa | - | Government (MoF-ZEC Chairperson) |
| 2. Dr. Hapenga M. Kabeta | - | Government (MMMD) Member |
| 3. Mr. Edmond Kangamungazi | - | Civil Society (Caritas) Member/V. Chairperson |
| 4. Mrs. Pauline Mundia | - | Mining Industry (FSSMAZ) Member |
| 5. Mr. Francis Chilunga | - | Government (MoJ) Member |
| 6. Mr. Kayula Chimfwembe | - | Government (MoF) Member |
| 7. Mr. Peter Zyambo | - | Government (BOZ) Member |

1. Opening Remarks by the Chairperson

The meeting was chaired by Ms. Isabel Mukelabai, a representative from the Civil Society constituency. The substantive Chairperson and Vice Chairperson sent in their apologies for the meeting.

In her opening remarks, the Chairperson welcomed the members and observers to the meeting. She encouraged members to actively participate and contribute to the deliberations of the meeting.

2. Adoption of the Agenda

The agenda was adopted without any changes. The proposal to adopt the agenda was made by Mr. Hugh Carruthers and seconded by Mr. Nsama Chikwanka.

3. Apologies

A list of apologies is given on page 1.

4. Confirmation of Minutes for the previous ZEC meeting

The minutes of the previous ZEC meeting were adopted with the following corrections:

- *Add Ms. Sylvia Masabo to the list of apologies.*

It was noted by the Civil Society members that some of the discussions from the previous were overly summarised in the Minutes. The members specifically indicated that the non-attendance of meetings by the Chairperson (Secretary to the Treasury) should be put on record in the Minutes.

The members also indicated that the Permanent Secretary at the Ministry of Mines should appoint a substantive alternate who would be attending meetings in the absence of the Permanent Secretary.

The Chairperson implored members to provide written comments on draft Minutes ahead of time to ensure input and corrections to the Minutes is provided before subsequent meetings. The adoption of the minutes was proposed by Mr Nsama Chikwanka and seconded by Mr. Ucizi Ngulube.

5. Matters Arising (Action taken report)

The matters arising were presented based on the action taken report. The following below were the key discussion points as presented in the action taken report:

a. Data Collection

On the ZEITI reporting, members were informed that the production of the 2022 ZEITI report was underway. The data collection had reached an advanced stage with only Chilanga Cement and Lubambe Copper Mines remaining to submit data. The meeting was informed that efforts were underway to collect the data from the companies and that the Chamber of Mines would be requested to help with the collection of data from Lubambe.

In terms of contract transparency in relation to the Royalty Agreement between Kansanshi and ZCCM-IH, the meeting was informed that the Permanent Secretariat at the Ministry of Mines had written a letter to ZCCM-IH to avail the Agreement to ZEITI. A response from the ZCCM-IH is still being awaited.

The ZEC further discussed on the need to disclose the various MoUs that the government has signed in the Mining sector with various cooperating partners such as the European Union (EU) on Critical Minerals. The ZEITI Secretariat was requested to follow up this matter with the Ministry of Mines.

b. Mainstreaming

The members present were informed that funding towards the Mainstreaming of EITI implementation in Zambia would be provided by various companies under the Zambia Chamber of Mines.

Specifically, the First Quantum Minerals (FQML) has pledged to pay for the development of the Mainstreaming portal amounting to USD 50,000.

The Chamber of Mines also pledged to mobilise operational support to the ZEITI Secretariat amounting to USD 70,000. An update on the resource mobilisation will be provided at the next ZEC meeting.

c. The Opening Extractives Programme

The meeting was informed that Phase one of the Opening Extractives Programme (OEP) has been completed. The implementation of phase mainly focused on awareness raising about the Beneficial Ownership Transparency in the Mining sector. The implementation under phase one also included technical support to the Patents and Companies Registration Agency (PACRA) on data screening in the Beneficial Ownership register.

The second phase of the OEP will focus on providing support towards the Mining cadastre and the Ministry of Mines in general. The support to the Mining cadastre has been clustered around these objectives as follows:

- i. Improving the availability and quality of BO data for the extractives sector, in line with compliance with Requirement 2.5.
- ii. Integrating the use of BO data in processes for the application, award and holding of extractives licenses and contracts, to mitigate governance risks through the energy transition.

- iii. Shaping and informing national and international debate on governance risks in the energy transition.
- iv. Building knowledge and transfer capacity to national, regional and local partners, institutions and champions.

The objectives under phase two have been couched in order to address the specific requirements of the 2023 EITI Standard in relation to requirement 2.5 of the 2023 EITI Standard.

d. Further discussions on the Action Taken report

The ZEC discussed the need to take forward the recommendations of the ZEITI reporting through various interventions from each sector. The Civil Society sector informed the meeting that analysis of the 2021 ZEITI report was undertaken. The report would be circulated to all ZEC members by the Publish What You Pay Secretariat.

The Civil Society sector also bemoaned the non participation of the Chairperson (Secretary to Treasury) and the Ministry of Mines and Minerals Development in ZEC meetings. In this view, the meeting suggested that an Extraordinary meeting be convened between the ZEC and the Ministry of Mines and Minerals where the Ministry will be requested to share the various reform processes currently underway within the Ministry and the Mining sector as a whole. The proposed agenda for the meetings should include the following below:

- i. Discussion on the Lobito Corridor
- ii. Discussion on the Critical Minerals Strategy
- iii. Discussion on the Zambia and DRC MoU (EV Battery project)

- iv. Discussion on the 3 million copper strategy (status update)
- v. Discussion on the reforms at the Cadastre
- vi. Discussion on the proposed ZEITI funding model (Mineral Sharing Mechanism and opportunity for including this provision in the Mining legislation)
- vii. ZCCM-IH and Kansanshi Royalty Agreement
- viii. KCM due diligence report
- ix. A.O.R.B

6. Presentation on the progress on the Mainstreaming portal

The Revenue Development Foundation (RDF) presented highlights of the work that has been undertaken on the Mainstreaming portal. A detailed presentation is attached for reference. The meeting resolved that the quality assurance process for this work will be done by the Mainstreaming Technical Working Group under the ZEC.

7. Presentation on the status of the 2022 ZEITI report

The BDO Zambia presented the status of the 2022 ZEITI report production. Specifically, the BDO appealed to the Zambia Revenue Authority (ZRA) to expedite the provision of reconciled figures relating to the revenue streams that are being reconciled.

The meeting urged the BDO Zambia to provide the ZEC with a draft report on 17 November 2023 (two weeks before the next ZEC meeting) to enable the ZEC members to provide input and comments to the draft report.

8. Brief updates on upcoming fourth quarter activities

The meeting was informed that the following activities were planned for the fourth quarter as follows:

- a. Completion of the production of the 2022 ZEITI report
- b. Collection of data for the production of the G-Factor
- c. Support towards the development of the Mainstreaming portal
- d. Convening of the Extraordinary ZEC meeting
- e. Training for ZEC members with support from the Joint Country Programme funded by the Norwegian Church Aid (NCA)

9. Closing Remarks

In closing the meeting, the chairperson thanked everyone for their participation and also encouraged the members to read all documents circulated to them ahead of ZEC meetings. The meeting ended at 13:20

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CHAIRPERSON

DATE

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SECRETARY

DATE

ACTION TAKEN REPORT

S/N	ISSUE	ACTION NEEDED	STATUS	BY WHOM
1	2022 ZEITI report	Production of 2022 draft report	Done	BDO/ZEITI
2	ZEC Extraordinary meeting	Convene the meeting	Done	ZEITI/MMMD
3	Training for ZEC	Convene the training	WIP	ZEITI/JCP-NCA
4	G-Factor data collection	Send templates to reporting entities	WIP	ZEITI
5	Resource Mobilisation for ZEITI operations	Follow up on pledges made by the Chamber of Mines	WIP	Chamber of Mines/ZEITI