

MINUTES OF THE ZEC MEETING HELD ON 27th DECEMBER 2018 AT THE GEOLOGICAL SURVEY DEPARTMENT BOARD ROOM AT 10:00 HOURS

PRESENT

- | | | |
|-----------------------------------|---|--|
| 1. Mr. Edward Lange | - | Civil Society (SARW) member |
| 2. Mr. Mtwalo Msoni | - | Civil Society (PWYP) member |
| 3. Mr. Mwiya Mwandawande | - | Civil Society (EITA) member |
| 4. Mr. Edgar Siakacoma | - | Civil Society (NEF) member |
| 5. Mr. Jeston Lunda | - | Civil Society (ActionAid Zambia) proxy |
| 6. Ms. Christine Chibobo Chimpala | - | Mining Industry (FSSMAZ) proxy |
| 7. Mr. Akakandelwa Mubiana | - | Mining Industry (KCM/CMZ) member |
| 8. Mr. Talent Ngándwe | - | Mining Industry (CMZ) member |
| 9. Mr. Francis Chilunga | - | Government (MOJ) member |
| 10. Mr. Greatson Chipalo | - | Government (MMMD) proxy member |
| 11. Mr. Simon Njovu | - | Government (MMMD) |

IN ATTENDANCE

- | | | |
|---------------------------|---|---------------------|
| 1. Mr. Siforiano S. Banda | - | Secretariat (ZEITI) |
| 2. Mr. Kaonga Mazaba | - | Secretariat (ZEITI) |
| 3. Mr. Ian Mwiinga | - | Secretariat (ZEITI) |
| 4. Mr. Emmanuel Sibongo | - | Secretariat (ZEITI) |
| 5. Mr. Barack Kalima | - | Moore Stephens LLP |

ABSENT WITH APOLOGY

- | | | |
|-----------------------|---|----------------------------------|
| 1. Mr. Fredson Yamba | - | Government (MOF) ZEC Chairperson |
| 2. Mr. Paul Chanda | - | Government (MMMD) Member |
| 3. Mr. Kamwi Mulele | - | Government (BOZ) proxy member |
| 4. Mr. Joseph Kanyama | - | Mining Industry (FSSMAZ) |
| 5. Mr. Spyton Phiri | - | Government (ZRA) member |

1.0 OPENING REMARKS

The opening remarks were given by Mr. Banda, Head of the ZEITI Secretariat. In the absence of the Chairperson, the Vice Chairperson, Mr Edward Lange was requested to Chair the meeting. A full quorum was formed and the meeting was called to order at 10.33hrs.

2.0 ADOPTION OF THE AGENDA

The meeting adopted the agenda with changes. The changes to the agenda were mainly to rearranging the order of items rather than inclusion of any new items. The rationale behind the reordering of the agenda was to allow for more time for the IA to present the draft report to the MSG so that input and comments could be provided on the spot. The proposal to rearrange the agenda was made by the Chairperson and it was seconded by Mr. Talent Ng'andwe.

3.0 APOLOGIES

The list of apologies is given on page 1.

4.0 PRESENTATION OF THE 2016 REPORT

The Chair welcomed Mr. Barack Kalima from Moore Stephens to present the 2016 ZEITI Report and he started by explaining in detail the contents of the report. He further went on to explain that the report had seven sections and that mainstreaming and beneficial ownership were also included in the 2016 ZEITI Report.

Mr. Barack Kalima explained some of the challenges that were faced especially with Ministries as some of them delayed in releasing information that was requested. Furthermore, Mr. Kalima also mentioned that 36 payment streams, 21 government agencies and 8 mining companies were included in the 2016 report. However, the report needed some amendments to be done.

Key challenges in the report as observed by the MSG

The MSG bemoaned the lack of information in some sections of the report. The lack of information in the report can be summed up in two parts: non-compliance of reporting agencies and short reporting deadlines. The following below are the specific issues that were raised in relation to the gaps that the MSG noted in the report:

- i. The report had no reported production values for coal, Emeralds, Limestone, Amythest, and Dolomite
- ii. Some templates from the government reporting agencies had not been certified by the Office of the Auditor General (OAG). These agencies are Ministry of Lands, Ministry of Mines and Minerals Development, Zambia Revenue Authority, Chililabombwe district council, and Mufulira Municipal council.
- iii. All government agencies returned their reporting templates except for Ministry of Finance
- iv. On page 11 paragraph 3 regarding employment statistics, the figures in the report need to be verified;
- v. The ZEC also reaffirmed its past decision of relying on management sign off as attestation for the reporting templates from the mining companies.

- vi. On the recommendations, the ZEC urged the IA to provide policy level recommendations as opposed to report production recommendations. Further, the ZEC encouraged the IA to highlight all the gaps identified in the contextual section in the recommendations; and,
- vii. The IA was also urged to address the typos and errors in the report.

General resolutions by the ZEC

The MSG resolved that the IA should use average prices to calculate the production values in the event the norm value for the minerals whose values were not provided are unavailable. The MSG further encouraged the IA to physically visit the Office of the Auditor General to obtain a letter attesting the certification of the templates.

The MSG also implored the ZEITI to expedite the procurement of the IA for the production of the 2017/18 ZEITI report. In order to do this, the ZEITI informed the meeting that the procurement process for the reports will commence early and that a specific technical working group will be assigned to work alongside the Ministry of Mines and Minerals Development procurement officers.

5.0 APPROVAL OF THE 2016 ZEITI REPORT

The ZEC approved the 2016 ZEITI report as it was presented. However, the ZEC noted that any inclusions and adjustments to the document before the deadline would still be accepted. The ZEC urged the consultant to quickly finalise the report before the deadline taking into account the comments and input from the meeting as highlighted in 4.0 above.

The approval of the report was proposed by Mr. Edgar Siakachoma and seconded by Ms. Christine Chimpala.

6.0 CORRECTION AND ADOPTION OF MINUTES OF THE PREVIOUS MEETINGS

The minutes for 27th September, 2018 and 29th November, 2018 were adopted and signed but the minutes for 15th February, 2018 were not signed as some corrections needed to be made before they could be adopted and signed.

The changes to the minutes include deleting the name for Mr. Ian Mwiinga on page 1 as he did not attend the meeting on the said date. The minutes were also not properly numbered.

7.0 MATTERS ARISING

There were no matters arising from all the three sets of previous minutes as all activities in the minutes were already undertaken.

8.0 ANY OTHER BUSINESS

There being no any other business to discuss, the meeting closed at 13:30 hours

9.0 CLOSING REMARKS

The Chairperson thanked all the members for attending the meeting.

.....
Mr. Edward Lange **CHAIRPERSON**

.....
SECRETARY Ms. Violet Sakala

DATE.....

DATE.....