National Minerals Agency

Transforming the Minerals Sector for a Better Sierra Leone http://www.nma.gov.sl/home

Statement by the Director General NMA, Sahr Wonday on the GIMS Launching programme

Date: July 15, 2016

Madam Chairperson, Honourable Deputy Minister of Mines and Mineral Resources, Chairman and Board Directors of the National Minerals Agency, our Development Partners (World Bank, DFID, AfDB, and GIZ), distinguished Ladies and gentlemen. Good morning.

I am very pleased to join you this morning to celebrate achievement of another milestone by the National Minerals Agency, as we continue the journey we started in 2013 to transform our minerals sector for a better Sierra Leone. It is always gratifying for me to be among stakeholders in the minerals sector for activities aimed at improving on the effective management of the sector.

We are here this morning to launch our new Geo-Data Information Management System (GIMS) after a successful implementation by the consultants and our team at the Agency. The GIMS will serve as a platform to promote the mining sector in Sierra Leone, attract investment into the sector, and provide support and guidance to mining companies.

For that I will like to recognize the commitment and hard work of our staff and our German consultants (GAF-AG), and the support of the Minister of Mines and his staff at the Ministry of Mines and Mineral Resources.

Let me also take this opportunity to thank our Development Partners, the World Bank and DFID, for funding the project. We have received great help from our Development Partners which include but not limited to:

The establishment of a modern Mining Cadastre System funded by GIZ

- The supply of laboratory equipment funded by AfDB and World Bank
- Refurbishment of our Laboratory at New England funded partly by World Bank and GoSL
- Capacity Building programme for the National Minerals Agency including the establishment of GIMS with a staff training component
- Development of a Resource Contracts website with support from the Natural Resource Governance Institute and the Columbia Centre for Sustainable Investment which is linked to the global Resource Contracts portal.

We look forward to continued collaboration with our Development Partners to ensure that we continuously improve the mining sector in this country for the benefit of its citizens.

The minerals sector is critical to our economic development and we have already identified it as the engine for growth in the 'Agenda for Prosperity'.

Sierra Leone has had a long history of mining, dating back to the 1930s. Our country is richly endowed with diverse minerals, including diamonds, bauxite, rutile, iron-ore, etc. Our economy expanded by 15.2% and 20.1% in 2012 and 2013, respectively, mainly reflecting expansion in iron ore and other mining activity. However total GDP increased by only 7% in 2014 due to the problems in the iron ore sector. Total Government revenue from the mining sector in 2014 amounted to 386 billion Leones

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representing 18% of total revenue collected by the NRA. This contribution declined significantly in 2015 due to the shutdown of the iron ore mines. I am happy to use this opportunity to inform you that the Tonkolili iron ore mine is back in full operation. We are also working closely with the Ministry of mines to get the Marampa mine back in operation in the not too distant future.

Notwithstanding the significant contribution of the mining sector to the economy, we are all aware of the negative public perception of the benefits of mining to Sierra Leone, and familiar with phrases such as Poverty amidst plenty; Resource Curse, etc. The truth is that effective and efficient management of the exploitation of our mineral resources will no doubt deliver good returns on investments and maximum benefits to our people.

This is why since 2007, the curent Government has taken significant steps to transform the minerals sector by putting in place the necessary legal, regulatory and institutional framework to ensure the efficient and effective management of our mineral wealth and guarantee long term benefits to our people. You will hear more on this from my Minister later on.

It is therefore pleasing to see that Sierra Leone has learnt from the mistakes of the past, and we have now committed ourselves to reversing the so-called "resource curse", and make the minerals sector an engine for transformation and economic growth.

For those of us tasked with the responsibility of making this transformation a reality, we consider it as a unique opportunity to make our own contribution to promoting the welfare of the people of this country. We see it as a challenge to prove to the world that the abundant mineral wealth that God, in his infinite wisdom, endowed us with is indeed a benefit and not a curse to the people of Sierra Leone. This is a challenge that Management and Staff of the NMA have committed ourselves to rise up to. That is why our vision in the NMA is "to ensure maximum benefits for the people of Sierra Leone from our mineral resources". This is our promise, and it is a promise we shall deliver on.

As I have already stated, the Government has already made significant strides by putting in place the necessary legislative, regulatory and institutional frameworks in place. The challenge now facing all of us is how we consolidate the gains made so far, improve on what exists and translate mineral wealth to development and improved living standards for our people.

Consolidating the gains and improving management of the sector require the necessary tools and strategy. That is particularly why we consider today's event as a significant milestone in the history of mining in Sierra Leone. The GIMS, which we are about to launch will significantly improve the way we collect and manage data, and the way we monitor and regulate the mining sector.

It is designed to capture, store, manipulate, analyze and present all types of Geodata, and will allow users to interact with our GIMS to get useful information.

For us at the National Minerals Agency this tool will go a long way in helping us achieve our vision. Our six core strategic objectives that will help us to achieve our vision are as follows:

- Accelerate the economic development of the minerals sector;
- Maximize Government revenue from minerals sector activity;
- Ensure that all mining companies fully comply with all agreements, policies especially local content policies, laws and regulations pertaining to the sector; including the payment of all royalties and taxes, as well as developing the communities where they operate and providing employment opportunities to qualified Sierra Leoneans;

- Promote and enforce responsible & sustainable minerals management, exploration, mining and trading;
- Become a global leader in mining transparency and accountability;
- Be a world-class, high-performance industry regulator and service provider.

We are particularly excited about the GIMS because it will directly or indirectly help us to achieve all of the six strategic objectives. To start with, it will serve as an effective investment promotion tool, as it will enable us to readily present geological information to potential investors; and such investment will accelerate the economic development of the sector. Additional investment into the sector will also translate to maximizing Government revenue through additional royalties and taxes.

It is also a tool we shall use to monitor the compliance status of mining companies, by analyzing data to identify compliance issues such as non-renewal of licences, non-submission of statutory reports, deviation from approved work-programmes, etc.

It is a tool we shall use to share information with stakeholders in the spirit of transparency.

We are confident that with the reform measures taken by the Government, the provision of the necessary tools and our collective commitment to change and improve on the way we do things for better management of the sector, we shall be able to reverse the so-called resource curse. We shall be able to ensure that our people derive maximum benefits from our mineral wealth.

Thank you for gracing this important occasion and thank you for your support and encouragement without which we will not be here today to celebrate achievement of this important milestone.

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