



## Solomon Islands Extractive Industry Transparency Initiative

### 1. General assessment of year's performance

Generally the Solomon Islands Extractive Industries Transparency Initiative (SIEITI) made significant progress in 2014. The progress includes:

- Three positions were filled- The Head of the Secretariat, Procurement Analysts and Communication and Secretary Analyst. The officers had formally taken their duties in the months of April to June 2014.
- The engagement of the legal Consultant who produced a report on data on the legal barriers to EITI in Solomon Islands and advice on how the data can be access. The report was used in the process to obtain data for the SI-EITI Reconciliation Report.
- The engagement of the Independent Reconciler- Moore Stephen to produce the SIEITI Reconciliation Report for 2012 and 2013.
- The Publication of 2012 and 2013 EITI Reconciliation Report in June 2014
- The National Secretariat Office conducted EITI visits on communication and awareness to the four Provinces currently involved in mining activities. During the awareness, key information and result in the Report were highlighted.
- Advertising of the EITI website and the appointment of consultant to develop the EITI website. Work on the website is currently ongoing with plan to be complete in June 2015.
- The completion of the new SIEITI office which is fully funded by the Solomon Islands Government. The SI EITI officials shall move into the new office in 2015.

The Solomon Islands EITI had only experience full staffing towards the end of the second quarter, and towards the third quarter of 2014. The EITI Advisor, Mr. Simon James departed at the end of his contract in August 2014. The Head of the National Secretariat Office, Solomon Islands EITI resigned at the beginning of the 4<sup>th</sup>quarter. The Procurement Officer was on maternity, left in November 2014. These departures adversely affected some plan activities for the year.

### 2. Assessment of performance set out in targets and activities in the work plan

MSG produced a work plan for 2014. Despite a shortage of staff towards the end of the year and officers late starting on their duties, almost 75% of the targeted and key activities were carried out in 2014. The remaining activities, mainly of capacity building, covering trainings and workshops, were planned for 2015.

### 3. Assessment of performance against EITI requirements

Progress against the work plan was satisfactory but slow. The factors which contributed to the slow progress was lateness to take up duties by staff. Towards the end of the year, the office remain with only one staff.

The table below summarizes the SIEITI Multi-Stakeholder Group's (MSG) progress against each EITI Requirement in 2014.

EITI Requirements	Progress
1. Effective oversight by the multi-stakeholder group	The MSG held a total 8 meetings in 2014. The MSG maintained a budget and work plan which included actions to address legal barriers to SIEITI and producing the Solomon Islands first ever EITI



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	Report.
2. Timely publication of EITI Reports	The 2012 and 2013 EITI Report was published in June 2014. This was a delay from the original plan to publish in June 2013 due to lack of accessibility to funding in 2013.
3. EITI Reports that include contextual information about the extractive industries	The Report contain contextual information on the extractive Industries in Solomon Islands. It contains extractive industries contribution to Solomon Islands GDP, employment, exports and revenue. It explains legal process for licensing and social payments.
4. The Production of comprehensive EITI Reports that include full government disclosure of extractive industry revenues, and disclosure of all materials payments to government by oil, gas and mining companies.	The Government did a full disclosure only on gold production company in Solomon Islands. The Gold Ridge St Barbara Mining Company fail to produce it report. Sumitomo Metal Mining Company and Axiom KB Mining Limited did not submit their data due to a legal battle between these two companies. These companies are members of the MSG members and have actively participated on MSG members meetings.
5. A credible assurance process applying international standards	The 2012 and 2013 EITI Report was first to be published following the 2013 EITI Standard. It can be seen that progress were made to apply the International standard.
6. EITI Reports that are comprehensible, actively promoted, publicly accessible and contributed to public debate	<p>The SIEITI Reconciliation Report-2012 and 2013 have some data missing or discrepancies due to companies failure to submit their data. The SIEITI had asked to do a Supplementary Report that aims to explain the discrepancies and get hold of the missing data. The Report shall be published in 2015.</p> <p>The SIEITI report was promoted in 4 provinces through awareness visits by the SIEITI Communication Officer, Mr. Vincent Salafa Obimae and SIEITI Director, Mr. Rockson Orelly. The report was also released on the main stream media. The Report did cause some public debate in the communities where mining/prospecting activities happened.</p>
7. The multi-stakeholder group to take steps to act on lessons learned and review that outcomes and impact of EITI implementation.	Not applicable at this time as the validation shall take place in July 2015.



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#### 4. Overview of the multi-stakeholder group's responses to the recommendations from reconciliation and Validation, if applicable

There are some important recommendations based on the participation or experience of producing the SIEITI reconciliation Report and lessons were learned from participating on the Reconciliation Process. The MSG had made some progress against some recommendations but slow against others. Recommendations to produce website was implemented through hiring a consultant in 2014 and work is still ongoing.

#### 5. Any specific strengths or weaknesses identified in the EITI process

Implementation of the EITI provide an opportunity to identify strengths or weaknesses in the EITI process in Solomon Islands. There was some consideration of expanding the scope of SIEITI to capture the forestry sector in the EITI Report but this was not realized in 2014.

Some of the key strengths, weakness, opportunities and threats include:

Strengths:

- Government Commitment
- Multi-Stakeholders team work
- Support from the World Bank

Weakness

- Voluntary nature of work for SIEITI cause coordination of Data a challenge
- No dedicated personnel to coordinate the program
- shortage of Staff. Currently on two officers in the Office

Opportunities

- Reduces corruption in the mining sector because of the high level of transparency

Threat

- Future funding to run the Office is not certain.
- Change of Government may result to change of Government commitment

#### 6. Total costs of implementation?

The work plan total estimated cost for implementing SIEITI was approximately US\$1, 450,187 in 2014. SIEITI secured only USD190, 600 funding from WB.

#### 7. Any additional comments

No additional comments.



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### 8. Has this activity report been discussed beyond the MSG?

This report has been distributed by SIEITI National Secretariat Office to the MSG members for the comment and for endorsement.

### 9. Details of membership of the MSG during the period

The MSG members of the SIEITI is provided in the table below:

<b>A. Government Representatives</b>				
1	McKinnie P Dentana	EITI National Coordinator (Under Secretary, MoFT)	Ministry of Finance & Treasury	
3	Krista Tatapu	Principal Tenement Officer	Ministry of Mines, Energy and Rural Electrification	
	George Tapo	Deputy Commissioner	Ministry of Finance and Treasury	
	Lilian Danitofea	Senior Tenement Office	Ministry of Mines and Energy	
	Mary Leo	Auditor	Office of the Auditor General	
<b>B. Mining Company Representatives</b>				
1	Lonsdale Manase	Community Affairs Manage	Axiom Company Ltd	
2	Joe Rex	Senior Administration Officer	SMM Solomon Limited	
<b>C. Civil Society Representatives</b>				
1	Edward Ronia	Acting Executive Director	SI Transparency International	
2	Mary Bollen	President	Guadalcanal Province Council of Women	
3	Mere Levo	Representative	Northern Fauro Civil Society	
4	Nancy Jolo	General Secretary	Development Services Exchange	
	Willie Atu	Director Manager	The Nature Conservancy	



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Approved by SIEITI Office: MSG Members

Date: 28/06/2015