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Supplement to the Sierra Leone Gazette Vol. CXLVII, No. 11
dated 3rd March, 2016

THE SIERRA LEONE LOCAL CONTENT AGENCY ACT, 2015

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No.

2015



Sierra Leone

A BILL ENTITLED

The Sierra Leone Local Content Agency Act, 2015.

Short title.

Being an Act to establish the Sierra Leone Local Content Agency to provide for the development of Sierra Leone Local content in a range of sectors of the economy such as industrial, manufacturing, mining, petroleum, marine resources, agriculture, transportation, maritime, aviation, hotel and tourism, procurement of goods and services; public works, construction and energy sectors; to promote the ownership and control of productive sectors in the economy by citizens of Sierra Leone; and to provide for other related matters.

[] Date of commencement.

ENACTED by the President and Members of Parliament in this present Parliament assembled.

PART I—PRELIMINARY

Interpretation. 1. In this Act, unless the context otherwise requires -

"Agency" means the Sierra Leone Local Content Agency established under section 3;

"Board" means the Board of Directors established by section 4;

"Chairman" means the Chairman of the Board;

"citizen " means a citizen of Sierra Leone as defined under the Citizenship Act 1973;

"Director-General" means the Director-General of the Agency appointed under section 16;

"Expatriate" means an employee working in Sierra Leone other than his country of origin;

"labour clause" means a clause mandating the use of a minimum percentage of Sierra Leonean Labour in professional cadres in all contracts awarded in the sectors covered by this Act in Sierra Leone, above a threshold value as stipulated by the Minister;

"member" means a member of the Board ;

"Minister" means the Minister responsible for trade and industry and "Ministry" shall be construed accordingly ;

"operator" means any state enterprise, Sierra Leonean, foreign or international company operating in the sectors covered by this Act under any contract, agreement or alliance ;

"plan" means a Sierra Leonean content plan referred to in section 40 submitted in compliance with any aspect of this Act;

"Sierra Leonean companies" means companies that are registered in Sierra Leone in accordance with the Companies Act 2009 and fifty percent of the share capital are owned by Citizens;

"Sierra Leone Local Content" means the proportion between the value of the goods produced and services rendered in Sierra Leone by Sierra Leoneans and the total value of the goods and services acquired for exploration, development and production in the sectors covered by the Act under concession, contracts, licences and other forms of agreements;

"Sierra Leone Local Content on-line internal portal" means a virtual platform for buyers and sellers of goods and services in the sectors covered by this Act;

"Sierra Leone Local Content indicator" means a percentage rating of a company based on specific criteria defined on the basis of values ascribed to each criterion;

"Sierra Leone Local Content Verification Personnel" means a person registered by the Sierra Leonean Content Agency,

2. Notwithstanding anything to the contrary contained in any Application. other enactment, this Act shall apply to all matters pertaining to Sierra Leone Local Content with respect to operations or transactions carried out in or connected with the Sierra Leonean industries in the mining, petroleum, service industries agriculture and agri-business, transportation, maritime, aviation, hotel and tourism, public works and construction, fisheries and marine resources, manufacturing, health and energy sectors.

PART II—ESTABLISHMENT OF SIERRA LEONE LOCAL
CONTENT AGENCY

Establishment
of Sierra
Leone Local
Content
Agency.

3. (1) There is hereby established a body to be known as the Sierra Leone Local Content Agency.

(2) The Agency shall be a body corporate having perpetual succession and capable of acquiring, holding and disposing of any property, whether movable or immovable, and of suing and being sued in its corporate name and, subject to this Act, of performing all such acts as bodies corporate may by law perform.

(3) The Agency shall have a common seal, the use of which shall be authenticated by the signatures of -

- (a) the Chairman or other member of the Board authorised either generally or specially by the Board in that behalf; and
- (b) the Director-General or some other person authorised by the Board in that behalf.

Board of
Agency.

4. (1) The governing body of the Agency shall be a Board which shall be responsible for the control and supervision of the Agency.

(2) The Board shall consist of a Chairman appointed under subsection (3); and the following other members-

- (a) the Permanent Secretary of the Ministry ;
- (b) the Financial Secretary or his representative;
- (c) a representative of -
 - (i) the National Minerals Agency;
 - (ii) the Petroleum Directorate;

(iii) Youth Commission

(iv) the Sierra Leonean Content Consultative Forum referred to in section 66;

(v) the Sierra Leone Investment and Export Promotion Agency ;

(vi) the National Tourist Board

(vii) the Sierra Leone Chamber of Commerce, Industry and Agriculture;

(viii) the Sierra Leone Bar Association;

(ix) the Sierra Leone Institute of Engineers;

(x) the Sierra Leone indigenous banks and financial services;

(xi) Women's Forum

(xii) the Director-General who shall be the Secretary.

(xiii) Labour Congress

(3) The President shall, on the advice of the Minister and subject to the approval of Parliament appoint the Chairman and other members of the Board under Clause 2 (c) from among persons with proven knowledge and experience in the local content sector.

(4) members appointed under paragraph (c) of subsection 2 shall be subject to parliamentary approval.

5. (1) The Chairman and other members of the Board appointed under paragraph (c) of subsection (2) of section 4 shall hold office for a term of three years and shall be eligible for re-appointment for a further term of three years only.

Tenure of
members.

(2) A person shall cease to be a member of the Board on any of the following grounds-

- (a) for his inability to perform the functions of his office by reason of infirmity of mind or body;
- (b) for proven misconduct;
- (c) if he becomes bankrupt or insolvent;
- (d) if he is convicted and sentenced for an offence involving fraud or dishonesty;
- (e) if he fails to attend three consecutive meetings of the Board without reasonable cause; or
- (f) if he resigns his office by written notice to the Minister.

Meetings of Board.

6. (1) The Board shall meet for the dispatch of its business at least once every two months at the offices of the Agency and at such time as the Chairman may determine.

(2) The Chairman shall preside at every meeting of the Board, and in his absence, the members present shall appoint a member from among themselves to preside at that meeting.

(3) A minimum of three members of the Board may, by notice in writing signed by them, request the Chairman to summon a special meeting of the Board for such purposes as may be stated in the notice.

(4) The Chairman or, in his absence, the member appointed to act in his behalf shall summon a special meeting within five days of his receipt of the notice referred to in subsection (3).

(5) The quorum at any meeting of the Board shall be seven.

(6) The Chairman or other person presiding shall have a casting vote where there is an equality of votes.

(7) Any proposal circulated among all members and agreed to in writing by a two-thirds majority of all members shall be of the same force or effect as a decision made at a duly constituted meeting of the Board and shall be incorporated in the minutes of the next succeeding meeting of the Board:

Provided that, if a member requires that such proposal be placed before a meeting of the Board, this subsection shall not apply to such proposal.

(8) The Board may co-opt any person to attend and participate in its deliberations on any matter but such person shall not vote on any issue for the decision by the Board.

(9) The Board shall cause minutes of all its meetings to be taken and signed by the Chairman and kept in proper form.

(10) Subject to this Act, the Board shall regulate its own procedure.

7. (1) A member of the Board who has any interest, whether direct or indirect in any matter being considered or to be considered by the Board, shall disclose the nature of his interest to the Board and the disclosure shall be recorded in the minutes of the Board and such member shall not take part in any deliberation or decision of the Board relating to that matter. Disclosure of conflict of interest.

(2) A member of the Board who contravenes subsection (1) shall be guilty of misconduct and shall be removed from the Board.

Immunity of Board, etc.

8. (1) No action or other proceedings shall lie or be instituted against any member of the Board or member of a committee of the Board for or in respect of any act or thing done or omitted to be done in good faith in the exercise of his functions under this Act.

(2) No member of the Board shall be personally liable for any debt or obligation of the Agency.

Committees of Board.

9. (1) The Board may, for the discharge of its functions appoint one or more committees consisting of members of the Agency or non-members or both to perform such functions and to report to the Agency as the Board may determine.

(2) For the purposes of providing technical support on Sierra Leone content development issues, fostering coordination among ministries, departments and Agencies in Local Content issues and supporting the Sierra Leone Local Content and without prejudice to the generality of subsection (1), the Agency shall establish on Sierra Leone Local Content Committee comprising the following members;

- (a) a representative of the Ministry who shall be the Chairman of the Committee;
- (b) a representative of the Office of the Attorney General and Minister of Justice;
- (c) a representative of the Ministry responsible for Finance;
- (d) a representative of the Ministry responsible for Labour;
- (e) a representative of the Strategic and Policy Unit in the Office of the President;
- (f) a representative of the National Public Procurement Agency;
- (g) a representative of the Sierra Leone Investment and Export Promotion Agency;
- (h) a representative of the Ministry of Social Welfare, Gender and Children's Affairs.

(i) two representatives of the Sierra Leone Chamber of Commerce and Industry;

(j) two representatives from Civil Society; organisations having functions related to the Agency

(k) a representative from a Government Ministry, Government Agency or professional body directly responsible for a particular sector, or having a major stake in the subject matter under review by the Committee.

(l) a representative of the Ministry of Youth Affairs

10. (1) Subject to this Act, the Board shall have the control and supervision of the Agency, including overseeing the sound and proper financial management of the Agency. Functions of Board.

(2) The Board shall provide policy guidance and advice that will secure the efficient implementation of the functions of the Agency and enhance the overall performance of the Agency.

11. (1) The Chairman and other members of the Board shall be paid such remuneration, fees and allowances approved by the Minister and shall be reimbursed by the Agency for expenses incurred in connection with the discharge of their functions as the Board may, with the approval of the Minister, determine. Remuneration of members.

(2) Remuneration Co-opted members of the Board under Section 9 shall be paid such remuneration; fees and allowances approved by the Minister and shall be reimbursed by the Agency for expenses incurred in connection with the discharge of their function".

12. (1) Where the Chairman or a member of the Board dies, resigns, is removed from office or is absent for a continuous period exceeding three months or is by reason of illness unable to perform the functions of his office for a continuous period of three months- Filling of vacancies.

- (a) the members of the Board shall, as the case may be, elect one of their number to act as Chairman until such time as the Chairman resumes his office or another is appointed in his stead; and

- (b) in the case of a member, the Chairman shall have another person appointed to the Board subject to the Act.

(2) Where a person is appointed as Chairman or appointed as a member to fill a vacancy, he shall hold office for the remainder of the term of the previous Chairman or member, as the case may be, and shall, subject to this Act, be eligible for re-appointment.

Independence of the Board. 13. In the performance of its functions under this Act, the Board shall not be subject to the control of any person or authority.

PART III—FUNCTIONS OF THE AGENCY

Functions of Agency. 14. (1) The object for which the Agency is established is to promote Sierra Leone local content development by effectively and efficiently managing the administration and regulation of Sierra Leone local content development in Sierra Leone.

(2) Without prejudice to the generality of subsection (1), it shall be the function of the Agency to -

- (a) supervise, coordinate, administer, monitor and manage the development of Sierra Leone local content in the sectors covered by this Act;
- (b) appraise, evaluate and approve the Sierra Leone local content plans and reports submitted to the Agency in compliance with this Act;
- (c) award certificate of authorisation, review the Sierra Leone local content plans and reports submitted to the Agency in compliance with this Act and make recommendations to the Minister;

- (d) issue Sierra Leone local content certificates for designated materials, goods and services produced wholly or partially in Sierra Leone;
- (e) manage and award the Sierra Leone local content Scorecard system for the purpose of ranking companies and entities that comply with Sierra Leone local content development;
- (f) administer and operate the Sierra Leone local content on-line internal portal and Joint Qualifications Systems set up in accordance with this Act;
- (g) assist local contractors and Sierra Leonean companies to develop their capabilities to attain the goal of developing Sierra Leone local content in the sectors covered by this Act;
- (h) strengthen and foster collaboration between the public and private sector in order to promote and safeguard the objectives of Sierra Leone local content development;
- (i) maintain a registry of Sierra Leone local content transactions above a threshold determined by the Minister ;
- (j) receive and investigate complaints relating to Sierra Leone local content development in accordance with this Act;
- (k) promote good governance and accountability by creating an effective and efficient environment for the promotion and implementation of Sierra Leonean content development;

- (l) monitor and coordinate the Sierra Leonean content performance of operators in accordance with this Act;
- (m) conduct studies , research and investigations to further attain the goal of developing Sierra Leone content in the sectors covered by this Act;
- (n) delegate any of its functions to any agent or operative appointed by the Agency;
- (o) contribute to an annual Sierra Leonean Content Plan to guide operating companies in the sectors covered by this Act;
- (p) encourage, monitor and enforce the standards of operation and code of practice for Sierra Leonean content;
- (q) monitor conditions of operators and their trade practices to ensure that competition and fair practice is maintained;
- (r) provide information relevant to the National Revenue Authority for the collection of taxes for training, research and development and transfer of technology funds from operating companies;
- (s) prepare an annual report on the status of Sierra Leonean content for submission to the Minister, and
- (t) perform any other function incidental or consequential to its functions under this Act.

15. The Agency shall consult and co-operate with ministries , departments and agencies having functions related to the Agency. Consultation with ministries etc

PART IV - ADMINISTRATIVE PROVISIONS

16. (1) The Agency shall have a Director-General who shall be appointed by the Board. Appointment of Director - General.

(2) No person shall be appointed Director-General unless he has proven technical expertise and experience in local content matters.

(3) The Director-General may be removed from office in accordance with his terms and conditions of service for -

- (a) inability to perform the functions of the office arising out of physical or mental incapacity;
- (b) gross misconduct or misbehaviour;
- (c) incompetence or neglect of duty; or
- (d) any other ground that would justify removal from office under the terms and conditions of service.

17. The Director-General shall be responsible to the Board for the performance of the following functions- Functions of Director-General.

- (a) overseeing the activities of the Departments and the day-to-day administration and management of the Agency;
- (b) formulating and implementing operational policies, programmes and plans relating to the functions of the Agency as may be approved by the Board.

- (c) supervising employees of the Agency;
- (d) preparing and submitting operational reports and plans;
- (e) preparing annual budget and financial reports;
- (f) preparing the agenda, recording and maintaining of minutes of the meetings of the Board; and
- (g) performing other duties as the Board may determine.

Departments
of the
Agency.

18 (1) The Agency shall establish departments as it thinks necessary for the performance of its functions.

(2) Without prejudice to subsection (1), the Agency shall establish the following departments -

- (a) Department for Procurement and Supplier Development which shall be responsible for public and private sector procurement and for the supplier value chain pertaining to Sierra Leone local content development;
- (b) Department for Employment, Training and Technology Transfer which shall be responsible for the development of local employment, integration of the local workforce, training of local personnel, technology transfer, research and development;
- (c) Department of Finance and Administration which shall be responsible for the Agency's budget, human resources and reporting;

- (d) Department of Operations which shall be responsible for monitoring and evaluating Sierra Leone local content development; and
- (e) Department of Communications and Outreach which shall be responsible for the Agency's communications and outreach strategy and its implementation.

19. Each department referred to in section 18 shall have Divisions. divisions which shall be created by the Board on the recommendation of the Director-General.

20. (1) Each department referred to in section 18 shall be headed by a Director who shall be appointed by the Board. Directors of Departments.

(2) The Directors shall have responsibilities and functions as may be assigned by the Director-General.

(3) Without prejudice to subsection (2), the Directors shall have the following responsibilities-

- (a) the Director responsible for the Department of Procurement and Supplier Development shall be responsible for managing the Joint Qualification System and the Sierra Leone Local Content on-line virtual platform and shall oversee compliance by the public and private sector on procurement and supplier development in accordance with the Act;
- (b) the Director responsible for the Department of Employment, Training, Technology Transfer shall be responsible for overseeing the development of local staff and their integration in the workforce, the training of local workforce, technology transfer and

research and development and shall oversee the Sierra Leone Local Content Development Fund referred to in section 29 to support Sierra Leone content suppliers;

- (c) the Director responsible for the Department of Finance and Administration shall be responsible for managing the annual budgeting process, procurement and assets and human resources development;
- (d) the Director responsible for the Department of Communications and Outreach shall be responsible for the Agency's internal and external communications and its Outreach strategy including community engagement.

Other staff of Agency. 21. (1) The Agency shall have other staff as may be required for the efficient performance of the functions of the Agency.

Secondment of public officers. 22. Public officers may at the instance of the Agency, be seconded or otherwise render assistance to the Agency but the Agency may request the withdrawal of any such seconded staff who is unable to carry out assigned functions in a manner satisfactory to the Agency.

Professionals and experts. 23. The Board may where it considers it expedient hire or retain services of professionals, consultants and experts as may be necessary for the proper and effective performance of the functions of the Agency.

Protection of officers. 24. No officer or employee of the Agency or any person acting on the directions of an officer or employee of the Agency shall be liable in respect of any matter or thing done by him in good faith under this Act.

PART V—FINANCIAL PROVISIONS

25. (1) The activities of the Agency shall be financed by Funds of Authority. funds consisting of—

- (a) any monies appropriated by Parliament for the purposes of the Agency;
- (b) all monies given to the Agency by way of gifts, endowments, bequest, grant or other contributions by persons and organisations for the purposes of the Agency;
- (c) all returns on investment, if any;
- (d) foreign aid and assistance from donor agencies; and
- (e) all other monies which may, from time to time, accrue to the Agency.

(2) The funds of the Agency shall be applied only for the purposes of the approved budget of the Agency.

26. (1) The Agency shall keep proper books of account and other records in relation to the activities, property and finances of the Agency in a form approved by the Auditor-General, and shall prepare in respect of each financial year of the Agency a financial statement which shall include - Accounts and audit of Agency.

- (a) balance sheet accounts;
- (b) income and expenditure accounts; and
- (c) source and application of funds;

(2) The accounts of the Agency kept under subsection (1) shall, not later than two months after the end of each financial year, be audited by the Auditor-General or an auditor appointed by him.

(3) For the purposes of subsection (2), the Auditor-General or the auditor appointed by him shall be entitled to have access to all books of account, vouchers and other financial records of the Agency and to require such information and explanation thereon as he may think fit.

(4) The Agency shall provide the Auditor-General or the auditor appointed by him with all necessary and appropriate facilities for the examination of the accounts and records of the Agency.

(5) The Auditor-General or the auditor appointed by him shall submit to the Agency a report on the audited accounts and the financial statements referred to in subsection (1) and shall, in his report draw attention to -

- (a) any irregularities in the accounts;
- (b) any matters that are likely to adversely affect the operations of the Agency; and
- (c) any other matter which, in his opinion, ought to be brought to the notice of the Agency.

Financial
year of

27. The financial year of the Agency shall be the same as the financial year of the Government.

Annual
report.

28. (1) The Agency shall, within three months after the end of the financial year, submit to the Minister a report on the performance of its functions during that year and on its policy and programmes.

(2) The annual report shall include the accounts and annual financial statement prepared under section 26 and the report of the audit thereon.

(3) The Minister shall lay copies of the annual report before Parliament within two months after he has received the report.

(4) The Agency shall make copies of the report available to all stakeholders once it has been laid before Parliament.

PART VI-GOODS AND SERVICES

29. (1) There is hereby established a fund to be known as the Sierra Leone Local Content Development Fund for the implementation of Sierra Leone local content development in the sectors covered under this Act.

Sierra
Leonean
Content
Development
Fund.

(2) The fund shall be managed by the Agency and utilized for projects, programmes and activities directed at increasing Sierra Leone local content in the sectors covered under this Act.

(3) The Fund shall receive contributions from the Government, operators or contractors, private companies and the donor community.

30. (1) There is hereby established a fund to support Sierra Leone local content suppliers, importers and exporters which shall be administered by the Bank of Sierra Leone.

Fund to
support
suppliers
importers
And
exporters.

(2) The Bank of Sierra Leone shall identify eligible banks that shall provide the financing to Sierra Leonean local content suppliers, importers and exporters.

(3) The Fund shall be established with seed capital from the Government which shall seek additional funding from international finance partners.

(4) The fund shall be replenished by the Government.

31. (1) Upon the commencement of this Act, the minimum Sierra Leone local content in any project to be executed in the sectors covered by this Act shall be consistent with the levels set out in this Act.

Minimum
Specification
of Sierra
Leonean
content.

(2) Operators, alliance partners and contractors shall comply with the minimum Sierra Leone local content for a particular project item, service or product specification set out in this Act.

(3) Notwithstanding subsection (1) where there is inadequate capacity to meet any targets in this Act, the Minister may authorise the continued importation of the relevant items.

Service sector.

32. (1) Subject to subsection (2) first consideration shall be given to service agencies located in Sierra Leone and owned by citizens for projects and activities covered by this Act.

(2) The service agencies referred to in subsection (1) shall have adequate resources and capacity to add value to the operations, project or activities referred to in subsection (1)

Materials, Products and Goods.

33 (1) Subject to subsection (2) materials, products or goods made in Sierra Leone shall be given first consideration where the quality and timely delivery of such materials, products or goods are comparable to those available internationally.

(2) Sierra Leonean companies providing materials, products or goods shall have adequate resources and capacity to add value to the operations, project or activities referred to in the sectors covered by this Act.

(3) The following shall apply in the industries-

- (a) in the manufacturing industry, operators and contractors shall use at least ten percent of domestically produced inputs;
- (b) in the bakery and confectionery industry up to ten percent of cassava flour produced locally from locally grown cassava shall be required to be included as input;

(c) in the beer industry, the operators and contractors shall utilise up to twenty percent of sorghum produced locally;

(d) in the sugar industry, operators and contractors shall utilise up to fifteen percent of sugar produced locally in the first five years and up to thirty percent in the succeeding five years for any product requiring sugar as an additive;

(e) in the soap making industry, operators and contractors shall utilise up to fifty percent of palm oil produced locally in the first five years and up to seventy percent in the succeeding five years;

(f) in the flour industry, operators and contractors shall utilise up to ten percent of wheat flour produced locally in the first five years and up to thirty percent in the succeeding five years;

(g) in the hotel, hospitality and tourist industry, operators and contractors shall utilise up to twenty five percent of locally produced tie dye fabric or batik, fabric from locally grown and woven cotton, carvings made locally and produced from local wood, furniture locally produced from local wood and paintings produced locally or by Sierra Leonean nationals shall be utilised at all facilities in the first five years and up to fifty percent in the succeeding five years.

(4) Subsection (1) and (2) shall apply to section 3.

Mining 34. (1) Subject to subsection (2) first consideration shall be given to Sierra Leonean Companies in the mining sectors for the award of mining rights, permits or licences in all projects for which a contract is to be awarded subject to the fulfilment of conditions as may be specified by the Minister responsible for mines and mineral resources.

(2) Sierra Leonean companies referred to in subsection (1) shall demonstrate ownership of equipment and capacity to execute the contract.

Public Works and Construction. 35 (1) Subject to subsection (2) first consideration shall be given to Sierra Leonean companies involved in stone quarries and metal works.

(2) Sierra Leonean companies referred to in subsection (1) shall demonstrate ownership of equipment and capacity to execute the contract.

Petroleum. 36. (1) Subject to subsection (2) Sierra Leonean Companies shall be given first consideration in the award of oil blocks, oil field licences, oil lifting licences and in all projects for which a contract is awarded in the Sierra Leonean petroleum sector subject to the fulfilment of conditions as may be specified by the Petroleum Directorate.

(2) Sierra Leonean companies referred to in subsection (1) shall demonstrate ownership of equipment and capacity to execute the contract.

Agriculture. 37. (1) Operators and contractors in the agriculture sector shall establish and support out-grower schemes for small holder farmers in order to create jobs, improve quality of agricultural products, build capacity, transfer knowledge and technology and build the revenue of small to medium scale farmers in the rural areas in particular.

(2) Operators and contractors in the private and public sector shall promote greater use of improved production techniques and increased use of inputs such as improved seeds and fertilisers to boost productivity of small holder farmers.

(3) Security of tenure shall be granted to small holder farmers in order to promote an increased investment and improvements in the land.

(4) Greater access to credit, market information and access to water shall be made available to small holder farmers to boost productivity.

38. (1) Subject to subsection (2) first consideration shall be given to Sierra Leonean companies bidding for procuring materials, products and goods for ministries, departments and agencies. Procurement.

(2) The Sierra Leonean companies referred to in subsection (1) shall comply with the requirements stipulated in the National Public Procurement Act 2004.

(3) Donor agencies, international and local non-governmental organisations and other entities shall give first consideration to Sierra Leonean companies for the procurement of materials, products and goods.

39. For the supply of food products to public institutions, first consideration shall be given to locally produced food. Institutional feed supply.

PART VII-SIERRA LEONEAN CONTENT PLAN AND OTHER
RELATED PROVISIONS

Sierra
Leonean
Content
Plan.

40. (1) In a call to tender or in direct negotiations for any right, licence, concession, permit or interest and before carrying out operations or commencing a project in the sectors covered by this Act, an operator shall submit a Plan to be known as the Sierra Leonean Content Plan to the Agency and thereafter annually demonstrating compliance with the Sierra Leonean content requirements of this Act.

(2) The Agency shall review and assess the Plan referred to in subsection (1) and if satisfied that the Plan complies with this Act, issue a certificate of authorisation to the operator for that project.

(3) For the purposes of reviewing or assessing the Plan referred to in subsection (1), the Agency may conduct a public review in relation to the exercise of any of its functions under this Act provided that the review is completed and a certificate is issued or denied within 30 days from the commencement of the review or assessment.

(4) The plan referred to in subsection (1) shall contain provisions intended to ensure that-

- (a) first consideration is given to services provided within Sierra Leone and goods manufactured in Sierra Leone; and
- (b) citizens are given first consideration for training and employment in the work programme for which the plan is submitted.

41. (1) The Plan referred to in section 40 shall set out in detail how an operator or contractor will give first consideration to Sierra Leonean companies, materials, goods and products made in Sierra Leone, including specific examples showing how first consideration is considered and assessed in evaluation of bids for materials, goods and products required by the project, operations or activity.

Plan to
contain
details.

(2) The Plan shall stipulate the extent of local content that will be utilised in the production process and the percentage increase in such usage over time, when applications are submitted for tax and other incentives.

(3) The plan shall specify the extent to which joint ventures, alliances and other forms of collaboration between foreign and Sierra Leonean manufacturing enterprises will be used to increase the manufacturing capacity and know-how of Sierra Leonean enterprises.

42. (1) Operators and contractors shall consider Sierra Leone local content when evaluating any tender where the tenders are within five percent of each other at the commercial stage and the tender containing the highest level of Sierra Leone local content shall be selected provided the Sierra Leonean content in the selected tender is at least five percent higher than its closest competitor.

Tender
Evaluation.

(2) Operators and contractors shall maintain a tender process for acquiring materials, goods, products and services which shall give full and fair opportunity to citizens who are indigenous contractors and Sierra Leonean companies by ensuring that all tenders are advertised locally and internationally.

(3) The award of a contract shall not solely be based on the principle of the lowest tender where a Sierra Leonean company has the capacity to execute the job and the company shall not be disqualified exclusively on the basis that it is not the lowest financial tender, provided the value does not exceed the lowest tender by ten percent.

Contracts to be submitted.

43 (1) For all proposed projects, operations, activities, contracts, subcontracts and purchase orders estimated by the operator to be in excess of two hundred and fifty thousand United States Dollars (\$250,000.00) equivalent in Leones the operator shall provide to the Agency for approval advertisements, pre-qualification criteria, technical tender documents, technical evaluation criteria and the proposed list of persons who have placed tenders.

(2) The operator or contractor shall submit sufficient information with the notifications to enable the Agency to assess the subject matter and to be satisfied that the requirements of Sierra Leone local content have been complied with by the operator or contractor.

Submission of job forecasts.

44. (1) The operator shall submit to the Agency a list of all contracts, subcontracts and purchase orders exceeding 30 days prior to the first day of each quarter a list of all contracts, subcontracts and purchase orders not exceeding two hundred and fifty thousand United States Dollars (\$250,000.00) equivalent in Leones for it to be put out in tender or executed in the upcoming quarter.

(2) For each contract, subcontract and purchase order, the list shall provide–

- (a) a description of the service or item to be contracted or purchased (material and equipment specifications shall be provided upon request);
- (b) estimated value of contract, subcontract or purchase order;
- (c) the call to tender issuance date, closure date and award date; and
- (d) any other information requested by the Agency for the purposes of implementing the provisions of this Act.

45. Subject to section 43 the Agency shall advise the operator by the first day of each quarter, which contracts and subcontracts have been designated by the Agency for review and shall advise the operator of the outcome of such contract review.

Contract for review.

46. Prior to issuing advertisements or pre-qualification notifications to prospective bidders, the operator shall submit to the Agency, the following documents for review and approval–

Documents for pre-qualification stage.

- (a) a description of the scope of work;
- (b) a copy of the pre-qualification notification, if these documents differ from the standard pre-qualification notification previously reviewed by the Agency;
- (c) a list of companies, indicating locations of head offices, to whom questionnaires shall be issued; and
- (d) anticipated dates for closure of pre-qualification and commencement of tender evaluation and issuance of a call to tender.

47. When compiling a tender list for any project, the operator or alliance partner shall submit to the Agency, prior to issuing the call to tender the following documents–

Document for tenders list stage.

- (a) a list of bidders;
- (b) a copy of the call to tender (the Agency shall advise the operator of its requirements in this regard on a case by case basis);
- (c) description of corporate ownership (main shareholders by percentage) of bidders;
- (d) location of any Sierra Leonean based office, plant or facility;

- (e) anticipated dates for closure of bids and award of contract or purchase order; and
- (f) any other information requested by the Agency.

Documents
for award
stage.

48. Prior to the award of a contract, subcontract or purchase order to the successful bidder, the operator shall submit to the Agency the following documents-

- (a) the name of the selected contractor or vendor;
- (b) a list of the designated sub-contractors or sub-vendors;
- (c) where applicable, a list of proposed sub-suppliers;
- (d) for construction or service contracts, the estimated Sierra Leonean employment levels (in person-hours);
- (e) contract or purchase order commencement and completion dates;
- (f) an award notification form signed by an appropriate official of the operator or alliance partner; and
- (g) state of award rationale (evaluation of tenders) showing -
 - (i) the percentage difference in price between the selected bidder and each tender;
 - (ii) a primary location of work associated with each bidder;

- (iii) estimates of Sierra Leonean content associated with the tender of each bidder calculated in accordance with the definition of Sierra Leonean content to be provided by the Agency.

- (iv) other information relevant to the evaluation of bidders including where applicable, a summary of the technical, commercial and Sierra Leonean content aspects of the tender evaluations.

49. After assessing the documentation received in compliance with section 48 the Agency shall advise the operator within 10 days which contracts, sub-contracts and purchase orders have been designated by the Agency for review, and the designated contracts, subcontracts and purchase orders shall be reviewed to the satisfaction of the Agency. Designation and review of contracts.

50. (1) The operator shall submit to the Agency within 30 days at the end of each quarter, a listing of all contracts, sub-contracts and purchase orders exceeding two hundred and fifty thousand United States Dollars (\$250,000.00) equivalent in Leones or such other limit as the Agency may determine, awarded in the previous quarter. Quarterly Procurement Report.

(2) The listing of all contracts, sub-contracts and purchase orders referred to in subsection (1) shall provide-

- (a) a list of all items and services;
- (b) value of contract or purchase order;
- (c) name of the successful contractor or vendor;
- (d) a primary location of work;
- (e) estimates of Sierra Leonean content;

- (f) commencement and completion dates; and
- (g) any other information required by the Agency for the purposes of implementing the provisions of the Act.

Establishment of project office. 51. Where applicable, before carrying out any work or activity in Sierra Leone, the operator or contractor or other body submitting a plan shall establish in the Catchment Area where the project is to be located, a project office where project management and procurement decision making shall take place, to the satisfaction of the Agency.

Personnel office. 52. The operator or contractor referred to in section 51 shall locate, within the project office, personnel with decision-making authority in accordance with a list of personnel to be approved by the Agency.

Office in the community of operation. 53. Subject to section 51 the Agency shall have powers to require any operator to maintain an office in the community where the operator has significant operations.

PART VIII—EMPLOYMENT AND TRAINING OF CITIZENS

Employment and training. 54. (1) First consideration shall be given to citizens with the required qualifications for employment and training in any project executed by any operator or contractor in the sectors covered by this Act.

(2) First consideration shall be given to citizens possessing the necessary or adequate qualifications, and having the requisite expertise and experience for employment in all phases of operations in all the sectors covered by this Act and in accordance with the labour laws.

Employment of citizens. 55. (1) The Agency shall ensure that the operator or contractor hire and maintains a reasonable number of personnel who are citizens with the required skills from areas it has operations.

(2) An operator or contractor with operations in any of the sectors covered by this Act shall not import unskilled labour for carrying out any of its operations undertaken under any right, licence, permit or concession.

(3) For each of its operations, an operator or contractor shall submit to the Agency, a succession plan for any position not held by citizens and the plan shall provide for citizens to understudy incumbent expatriates.

(4) All staff employed by Sierra Leonean or foreign companies that hold the same professional category and exercise similar functions, shall enjoy the same benefits such as salary and emoluments as well as working conditions under the principle of equal rights.

(5) A company shall submit to the Agency conditions of service and staff demography of its operators

56. (1) For each of its operations, an operator or contractor may retain a maximum of fifty percent of management positions as may be approved by the Agency as expatriate positions representing investor groups during the first five years of its establishment after which it may retain a maximum of forty percent of management positions as may be approved by the Agency as expatriate positions representing the investor groups. employment for Expatriates.

(2) An operator or contractor may retain a maximum of fifty percent of intermediate positions as may be approved by the Agency as expatriate positions during the first five years of its establishment after which it may retain a maximum of twenty percent of intermediate positions as may be approved by the Agency as expatriate positions.

(3) Upon the commencement of this Act, an operator or contractor shall make an application to, and receive the approval of the Agency before making any application for an expatriate quota to the Minister responsible for labour or any other ministry, department or agency of the Government of Sierra Leone.

(4) The application referred to in subsection 3 shall be detailed and shall include-

- (a) job titles;
- (b) description of responsibilities;
- (c) the duration of the proposed employment in Sierra Leone;
- (d) the curriculum vitae of the expatriate staff;
- (e) the remuneration, allowances and other emoluments of the expatriate staff;
- (f) evidence of advertisements or other publications of the job openings including the job description;
- (g) justification for the hiring of the expatriate staff; and
- (h) any other information required by the Work permit Committee established under section 34B of the General Law Business Start Up Act 2007 for the purposes of implementing this Act.

(5) All projects or contracts whose total budget exceeds fifty million United States Dollars (\$50,000,000.00) equivalent in Leones shall contain a "Labour Clause" mandating the use of a minimum percentage of Sierra Leonean labour in specific cadres as may be stipulated by the Agency.

(6) All operators or contractors and other entities operating in Sierra Leone shall employ only citizens in junior and intermediate cadres or any other corresponding grades designated by the operator or contractor.

57. (1) The plan submitted by an operator or contractor for any project shall contain an employment and training plan which shall contain-

Employment and Training Plan.

- (a) an outline of the-
 - (i) hiring and training needs of an operator or contractor or subcontractor with a breakdown of the skills needed;
 - (ii) anticipated skills shortages in the Sierra Leonean labour force;
 - (iii) project specific training requirements; and
 - (iv) anticipated expenditures that will be made directly by the operator in implementing employment and training plan as a forecasted and actual expenditure;
- (b) a time frame for employment opportunities for each phase of project development and operations to enable members of the Sierra Leonean workforce to prepare themselves for such opportunities;
- (c) any other information required by the Agency for the purposes of implementing this Act

(2) Where citizens are not employed because of lack of training, an operator or contractor shall ensure, to the satisfaction of the Agency, that every reasonable effort is being made within the reasonable time to train locally or elsewhere and such effort and the procedure for its execution shall be contained in the operator's employment and training plan.

(3) An operator or contractor in any of the sectors covered by this Act shall carry out a scheme of training and employment for employees who are citizens in each phase and level of an operation, activity or project, taking into account the requirements of safety and the need to maintain acceptable standards of efficiency in the conduct of the operations.

(4) The training programme referred to in subsection (3) shall provide appropriate instruction and training to ensure the advancement of employees who are citizens in the skilled, technical, supervisory, administrative and managerial categories.

(5) An annual written report shall be submitted to the Director-General describing the personnel employed both old and new, their nationality, their employment status, the positions and the status of training programmes for citizens .

Sierra
Leonean
workforce
agreement.

58. (1) All operators or contractors shall sign an agreement with the Agency on an annual basis on the obligation to integrate citizens in the workforce.

(2) The agreement referred to in subsection (1) shall take into account the current state of development of human resources in the operation.

(3) The agreement shall provide -

- (a) the organisational structure of the company and prospects for its development;
- (b) the number, roles and occupational profiles of the workforce, both foreign and local including their salary structure at the time of the signing of the agreement;
- (c) a career plan;

(d) a the plan to achieve the goals of integrating personnel who are citizens; and

(e) a contract review programmes to adjust to the status of an operation.

59. (1) For the purpose of implementing the annual agreement with the Agency to integrate citizens into the workforce, each contractor shall submit to the Agency a plan for human resource development. Human
Resources
Plan.

(2) The plan for human resource development referred to in subsection (1) shall contain—

- (a) a definition of the type of technology and management experience to transfer to staff who are citizens including detailed description of the same, the manner and time frame for such transfer;
- (b) a description of the forecasting of the workforce including the number of technicians to be employed in the operation, their job descriptions and information on the total number of employees in each category;
- (c) details on the integration process of personnel, who are citizens indicating the number of personnel to be integrated, the employment positions and their professional and labour categories;
- (d) details on the training programme for personnel who are citizens in line with their defined career plans; and
- (e) definition of the housing, transportation, food and other social benefits that are necessary for the integration of citizens.

(3) Every operator or contractor in any of the sectors covered by this Act shall work closely with the Government of Sierra Leone to—

- (a) support tertiary and technical institutions to provide the requisite training for the workforce;
- (b) transform the education curriculum of tertiary, vocational, technical and commercial education institutions by prioritising science and technology based on the skills required by the industrial growth sectors;
- (c) align the education, curriculum of tertiary, vocational, technical and commercial educational institutions with the growth sectors of the economy such as mining petroleum, fisheries and agriculture with a view to building a skilled workforce;
- (d) support on-the-job training and internships for youths and develop artisanal training for youths that have lower level of education;
- (e) develop entrepreneurship and management institutes to build managerial and technical skills required for employment and the provision of goods and services; and
- (f) promote skills development for youths through on-the-job training, internships and artisanal apprenticeships in established industries and firms.

(4) The Government of Sierra Leone shall provide incentives for sector specific training and skills development in entrepreneurship and management offered by public and private sector institutions, industry associations and by private companies.

60. (1) Every operator or contractor in any of the sectors covered by this Act shall pay into the Development Fund referred to in section 29, an annual training research and development fee as may be provided in the licence, permit, contract, concession, agreement or alliance partnership agreement. Research and Development.

(2) For every project for which a plan is submitted, an operator shall carry out a programme and set aside an expenditure allowance, to the satisfaction of the Agency, for the promotion of education, attachments, training, research and development in Sierra Leone in relation to its work programme and activities.

(3) The operator or contractor shall submit to the Agency and update every six months, an operator's or contractor's research and development plan.

(4) The operator's or contractor's research and development plan referred to in subsection (3) shall—

- (a) outline a revolving three to five year plan for related research and development initiatives to be undertaken in Sierra Leone in the sectors covered by this Act, together with a breakdown of the expected expenditures that will be made in implementing the research and development plan; and
- (b) provide for public calls for proposals for research and development initiatives associated with the operator's activities.

(5) The operator or contractor shall report to the Agency, on a quarterly basis, with respect to its research and development activities and the Agency shall compare these activities to the operator's or contractor's research and development plan.

Technology
Transfer.

61. (1) Every operator or contractor in any of the sectors covered by this Act shall prepare and implement plans for the transfer to employees, advanced technological skills relevant to the respective sectors, in accordance with Sierra Leone's own plans and priorities, to the satisfaction of the Agency.

(2) The operator or contractor shall give full and effective support to technology transfer by encouraging and facilitating the formation of joint ventures, alliances, partnerships and the development of licensing agreements between Sierra Leonean and foreign contractors, service or supplier companies' agreements in fulfilment of the requirements for Sierra Leonean content development to the satisfaction of the Agency.

(3) The operator or contractor shall submit a report to the Agency annually describing its technology transfer initiatives and their results and the Minister shall make regulations setting targets on the number and type of joint venture or alliances to be achieved for each project.

PART IX—SYSTEMS AND COORDINATING FORUM

Sierra
Leonean
Content
Certification.

62. (1) The Agency shall establish a Sierra Leonean content certification scheme for the supply of designated materials, goods and services.

(2) The Agency shall designate the materials, goods and services to which the Sierra Leone local content certification shall apply.

(3) The methodology for the calculation of Sierra Leone content for designated materials, goods and services shall be laid down in regulations .

(4) The calculation of Sierra Leone local content shall not apply to the resale of imported goods, services or materials.

63. The Agency shall establish a Sierra Leone local content

scorecard system which shall—

Sierra
Leonean
Content
Scorecard.

- (a) provide a system of measuring compliance with Sierra Leone local content development;
- (b) establish a generic scorecard with elements and weightings based on sector codes;
- (c) set a framework for the accreditation of Sierra Leone local content development verification agencies; and
- (d) set a transitional period for the entry into force of the scorecard.

64. The Agency shall establish a Sierra Leone local content on-line internal portal which shall—

Sierra
Leonean
Content on-
line internal
portal.

- (a) provide a virtual platform to facilitate transactions required for efficient delivery of goods and services in the industry;
- (b) provide functional interface with the joint qualification system and provide a universal and transparent governance structure drawn from industry stakeholders;
- (c) perform all other functions, roles and responsibilities directed by the Minister in accordance with this Act; and
- (d) track and monitor Sierra Leone local content performance of operators, project promoters as well as suppliers and service providers with the provision of relevant feedback.

Joint
Qualification
System.

65. (1) The Agency shall establish, maintain and operate a joint qualification system in consultation with industry stakeholders which shall be administered in accordance with Regulations made by the Minister in accordance with this Act.

(2) The joint qualification system shall constitute an industry databank of available capabilities and shall be used for -

- (a) the registration and selection of technically capable contractors for tenders of not less than two hundred and fifty thousand United States Dollars (\$250,000.00) equivalent in Leones in value ;
- (b) verification of contractors' capacities and capabilities;
- (c) evaluation of application for Sierra Leonean content in the operations of operating companies and contractors;
- (d) database for national skills development pool; and
- (e) ranking and categorisation of service companies based on capabilities and Sierra Leonean content.

Sierra
Leonean
Content
Consultative
Forum

66. (1) The Agency shall set up a consultative body to be known as the Sierra Leone Local Content Consultative Forum which shall provide a platform for information sharing and collaboration in the sectors covered by this Act with respect to -

- (a) upcoming projects in the sectors;
- (b) information on available local capabilities; and
- (c) other policy proposals that may be relevant to Sierra Leonean content development.

(2) The Sierra Leone Local Content Consultative Forum shall be made up of key industry stakeholders, government and regulatory agencies, chambers of commerce, professional associations and representatives from the following sectors -

- (a) fabrication;
- (b) engineering;
- (c) financial services;
- (d) legal services;
- (e) insurance;
- (f) shipping and logistics;
- (g) materials and manufacturing;
- (h) information and communication technology;
- (i) mining;
- (j) petroleum;
- (k) agriculture and agri-business;
- (l) hotel and tourism;
- (m) construction and public works;
- (n) education and training and;
- (o) any other professional services nominated by the Agency.

PART X—MEASURES TO MONITOR AND EVALUATE SIERRA LEONEAN CONTENT COMPLIANCE

Sierra Leone Content Performance Report.

67. Within sixty days of the beginning of each year, the operator, contractor or subcontractor shall submit to the Agency an annual report to be known as the Sierra Leonean content performance report covering all its projects and activities for the year under review.

Content of Performance Report.

68. (1) Subject to section 67 the Sierra Leone local content performance report shall specify by category of expenditure, the Sierra Leone local content on both the current and cumulative cost basis and shall set out -

- (a) employment achievement in terms of hours or days worked by Sierra Leonean and foreign workers and their status; and
- (b) procurement achievement in terms of quantity and tonnage of locally manufactured materials and materials of foreign origin.

(2) The Agency shall undertake regular assessment and verification of the Sierra Leone local content performance report filed by the operators or contractors in compliance with this Act as may be considered appropriate by the Agency.

(3) The Agency shall issue directives to operators, contractors, other entities or persons in order to develop a process to facilitate reporting of activities relating to any aspect of this Act.

(4) For the purposes of assessment and verification, operators and contractors shall provide the Agency or its designated agent with access to their facilities, documentations and information required for substantiating Sierra Leone local content report.

(5) The operator shall effectively communicate its Sierra Leone local content policies and procedures to its contractors and subcontractors to monitor and enforce their compliance

PART XI—OFFENCES

69. (1) An operator or contractor who carries out any project contrary to this Act commits an offence and is liable upon conviction to a fine of five percent of the project sum for each project in which the offence is committed. Offences and penalties.

(2) An operator or contractor who continues to carry out any project contrary to this Act, after being fined under subsection (1), shall have investment incentives associated with the project to the value of ten percent of the project sum withdrawn or shall result in the cancellation of the project.

70. Any person who obstructs, impedes, interferes or fails to comply with any lawful demand of an authorised officer of the Agency in the performance of his functions under this Act commits an offence and shall be liable on conviction to a fine not below ten million leones (Le10,000,000.00) or to imprisonment for a term not exceeding five years or to both the fine and imprisonment. Obstruction.

71. Where an offence under this Act is committed by a body of persons— Offence by body of persons.

- (a) if the body of persons is a body corporate, every director or officer of that body shall be deemed to have committed the offence;
- (b) if the body of persons is a firm, every partner of that firm shall be deemed to have committed that offence:

Order of
forfeiture.

72. (1) Where a person is convicted of an offence under this Act the court may in addition to any other penalty imposed -

- (a) make an order for the forfeiture of any funds, money instruments, documents, facilities, vehicles, crafts, vessels or equipment used in the commission of the offence; and
- (b) make an order -
 - (i) for the forfeiture of goods or materials obtained or recovered in the course of the commission of the offence;
 - (ii) for the payment by that person to the State of an amount equal to the proceeds received of the sale of goods and services so obtained or recovered; or
 - (iii) for the payment by that person to the State of the value at the wellhead, assessed by the court in respect of the quantity recovered or for the payment of a part of that amount as the court, having regard to all the circumstances, thinks fit.

(2) Where the court is satisfied that an order made under subparagraph (i) of paragraph (b) of subsection (1) cannot for any reason be enforced, the court may, upon the application of the person by whom the proceedings were brought, set aside the order and make an order referred to in subparagraphs (ii) and (iii) of paragraph (b) of subsection (1).

(2) The court may, before making an order under this section, require notice to be given to, and to hear any person as the court thinks fit.

73. (1) A person commits an offence if that person knowingly. Misrepresentation.

- (a) misrepresents or attempts to misrepresent the Sierra Leonean content status of an enterprise;
- (b) provides false information or misrepresents information to the Verification Personnel in order to secure a particular Sierra Leonean content status or any benefit associated with compliance with this Act; or
- (c) provides false information or misrepresents information relevant to assessing the Sierra Leonean content status of an enterprise, to any organ of state or public entity.

(2) A person who commits an offence under subsection (1) is liable on conviction to a fine not below ten million leones (Le10,000,000.00) or to imprisonment for a term not exceeding five years or to both the fine and imprisonment.

PART XII-MISCELLANEOUS PROVISIONS

74 (1) The Minister shall conduct a review of the quantitative targets in specific sectors established under this Act every two years with a view to ensuring a measurable and continuous growth in Sierra Leonean content in all projects, operations, activities and transactions in the sectors covered by this Act. Review of quantitative Targets.

(2) The Agency shall make standing orders regulating its proceedings and those of its standing committees in consultation with the Minister.

75. Upon the commencement of this Act- Transfer of assets etc.

- (a) all rights, liabilities, assets, obligations and privileges of the Local Content Unit are hereby transferred, conferred or imposed on the Agency;

- (b) a reference in any deed, contract, bond, security or other legal document to the Local Content Unit shall have full force and effect and be enforceable as fully and effectually as if the Agency has been named therein and has been a party thereto.

Transfer of
Certain
Employees.

76. On the coming into operation of this Act employees of the Local Content Unit as shall be specified by the Minister in writing shall be transferred to the Agency without prejudice to any entitlement to pension, gratuity or other vested or accrued rights from their previous employment; and on such terms and conditions of service no less favourable as were applicable to them in their previous employment.

Regulations.

77. The Minister may by statutory instrument make regulations for carrying out the purposes of this Act particularly for—

- (a) establishing the minimum standards, facilities, personnel and technology for training in the sectors covered by the Act;
- (b) specifying modalities involving operators as partners in training and development;
- (c) setting out targets to ensure-
 - (i) full utilisation and steady growth of indigenous companies engaged in exploration in the case of the mining and petroleum sectors and in other preliminary activities or operations in the other sectors covered by this Act;
 - (ii) seismic data processing in the case of the mining and petroleum sector;

- (iii) engineering design;
- (iv) reservoir studies;
- (v) gps surveys in the case of agriculture;
- (vi) manufacturing and fabrication of equipment; and
- (vii) other facilities as well as provisions of other support services in Sierra Leone in the sectors covered by this Act.
- (d) setting targets on the number and type of such joint venture or alliances to be achieved for such project;
- (e) setting targets for the growth of research and development in sectors covered by this Act in Sierra Leone
- (f) require any operator or company or its professional employees engaged in the provision of engineering or other professional services in the sectors covered by this Act to be registered with the relevant professional bodies in Sierra Leone;
- (g) requiring any operator to invest in or set up a facility, factory, production units or other operations in Sierra Leone for the purposes of carrying out any production, manufacturing or providing a service otherwise imported into Sierra Leone; and
- (h) regulating the Sierra Leonean Content Certification and the Sierra Leone local Content Scorecard.

MEMORANDUM AND OBJECTS OF REASONS

The object of this Bill is to establish the Sierra Leone Local Content Agency to provide for the development of Sierra Leone content in a range of sectors of the economy such as industrial, manufacturing, mining, petroleum, marine resources, agriculture, transportation, maritime, aviation, hotel and tourism, procurement of goods and services; public works, construction and energy sectors; to promote the ownership and control of productive sectors in the economy by citizens of Sierra Leone; and to provide for other related matters.

The Bill is divided into twelve parts.

Part I is the preliminary part and deals with interpretation and application of the Bill. It defines words used throughout the Bill. Clause 2 which is the application part stipulates that notwithstanding anything to the contrary contained in any other enactment, the Bill should apply to all matters pertaining to Sierra Leonean content with respect to operations or transactions carried out in or connected with the Sierra Leonean industries in mining, petroleum, service industries, agriculture and agri-business, transportation, maritime, aviation, hotel and tourism, public works and construction, fisheries and marine resources, manufacturing and energy sectors.

Part II deals with the establishment of the Sierra Leone Local Content Agency,

Clause 3 establishes the Sierra Leone Local Content Agency. It stipulates that the Agency should be a body corporate having perpetual succession and capable of acquiring, holding and disposing of any property, whether movable or immovable, and of suing and being sued in its corporate name and, subject to this Act, of performing all such acts as bodies corporate may by law perform.

Sub-clause (1) of clause 4 stipulates that the governing body of the Agency should be a Board in which should be vested, subject to the Bill the control and supervision of the Agency.

Sub-clause (2) of clause 4 deals with the composition of the Board. It stipulates that the Board should consist of a Chairman who should be appointed by the President on the advice of the Minister subject to the approval of Parliament.

The other proposed members of the Board are as follows-

- (a) the Permanent Secretary of the Ministry ;
- (b) the Financial Secretary or his representative;
- (c) a representative of -
 - (i) the National Minerals Agency;
 - (ii) the Petroleum Directorate;
 - (iii) the Sierra Leonean Content Committee ;
 - (iv) the Sierra Leonean Content Consultative Forum ;
 - (v) the Sierra Leone Investment and Export Promotion Agency ;
 - (vi) the National Tourist Board
 - (vii) the Sierra Leone Chamber of Commerce, Industry and Agriculture;
 - (viii) the Sierra Leone Bar Association;
 - (ix) the Sierra Leone Institute of Engineers;
 - (x) the Sierra Leone indigenous banks and financial services;
 - (xi) the Sierra Leone Insurance Commission; and
 - (xii) the Director-General who shall be the Secretary.

Part III deals with the functions of the Agency.

Clause 14 stipulates that the object for which the Agency is established is to promote Sierra Leonean content development by effectively and efficiently managing the administration and regulation of Sierra Leonean content development in Sierra Leone.

Part IV deals with administrative provisions.

Clause 16 provides that the Agency should have a Director-General who should be appointed by the Board. It further stipulates that no person should be appointed Director-General unless that person has proven technical expertise and experience in local content matters.

Clause 18 provides that the Agency should establish the following departments-

- (a) Department for Procurement and Supplier Development which should be responsible for public and private sector procurement and for the supplier value chain pertaining to Sierra Leone content development;
- (b) Department for Employment, Training and Technology Transfer which should be responsible for the development of local employment, integration of the local workforce, training of local personnel, technology transfer, research and development;
- (c) Department of Finance and Administration which should be responsible for the Agency's budget, human resources and reporting; and
- (d) Department of Operations which should be responsible for monitoring and evaluating Sierra Leonean content development; and
- (e) Department of Communications and Outreach which shall be responsible for the Agency's communications and outreach strategy and its implementation.

Part V deals with financial provisions.

Clause 25 provides that the activities of the Agency should be financed by funds consisting of the following-

- (a) any moneys appropriated by Parliament for the purposes of the Agency;
- (c) all moneys given to the Agency by way of gifts, endowments, bequest, grant or other contributions by persons and organisations for the purposes of the Agency;
- (d) all returns on investment, if any;
- (e) foreign aid and assistance from donor agencies; and
- (f) all other moneys which may, from time to time, accrue to the Agency.

Part VI deals with goods and services.

Clause 29 establishes the Sierra Leonean content Development Fund for the implementation of Sierra Leonean content development in the sectors covered by the Bill.

It further provides that the fund should be managed by the the Agency and utilized for projects, programmes and activities directed at increasing Sierra Leonean local content in the sectors covered under the Bill . The fund should receive contributions from the Government, operators or contractors, private companies and the donor community.

Clause 30 establishes a fund to support Sierra Leonean content suppliers, importers and exporters. The fund should be administered by the Bank of Sierra Leone and the Bank should identify eligible banks that should provide the financing to Sierra Leonean local content suppliers, importers and exporters. It further stipulates that the fund should be established with seed capital from the Government which should seek additional funding from international finance partners.

Clause 32 deals with service sections it provides that first consideration should be given to service agencies located in Sierra Leone and owned by citizens of Sierra Leone for projects and activities covered by this Act, provided the service agencies have adequate resources and capacity to add value to the operations, project or activities.

Clause 33 deals with materials, products and goods. It provides that materials, products or goods made in Sierra Leone should be given first consideration where the quality and timely delivery of such materials, products or goods are comparable to those available internationally and the company providing the materials, products or goods should have adequate resources and capacity to add value to the operations, project or activities referred to in the sectors covered by the Bill.

Sub-clause 3 of clause 33 stipulates that the following should apply in the following industries–

- (a) in the manufacturing industry, operators and contractors shall use at least ten percent of domestically produced inputs;
- (b) in the bakery and confectionery industry up to ten percent of cassava flour produced locally from locally grown cassava shall be required to be included as input;
- (c) in the beer industry, the operator and contractors shall utilise up to twenty percent of sorghum produced locally;
- (d) in the sugar industry, operators and contractors shall utilise up to fifteen percent of sugar produced locally in the first five years and up to thirty percent in the succeeding five years for any product requiring sugar as an additive;
- (e) in the soap making industry, operators and contractors shall utilise up to fifty percent of palm oil produced locally in the first five years and up to seventy percent in the succeeding five years;
- (f) in the flour industry, operators and contractors shall utilise up to ten percent of wheat flour produced locally in the first five years and up to thirty percent in the succeeding five years;
- (g) in the hotel, hospitality and tourist industry, operators and contractors shall utilise up to twenty five percent of locally produced tie dye fabric or batik, fabric from locally grown and woven cotton, carvings made locally and produced

from local wood, furniture locally produced from local wood and paintings produced locally or by Sierra Leonean nationals shall be utilised at all facilities in the first five years and up to fifty percent in the succeeding five years.

Clause 34 deals with mining. It stipulates that first consideration should be given to Sierra Leonean Companies in the mining sectors for the award of mining rights, permits or licences in all projects for which a contract is to be awarded subject to the fulfilment of conditions as may be specified by the Minister responsible for mines and mineral resources. The company should demonstrate ownership of equipment and capacity to execute the contract.

Clause 35 deals with public works and construction. It provides that first consideration should be given to Sierra Leonean companies involved in stone quarries and metal work provided that company demonstrates ownership of equipment and capacity to execute the contract.

Clause 36 deals with petroleum. It provides that Sierra Leonean Companies should be given first consideration in the award of oil blocks, oil field licences, oil lifting licences and in all projects for which a contract is awarded in the Sierra Leonean petroleum sector subject to the fulfilment of conditions as may be specified by the Petroleum Directorate and provided the company demonstrates ownership of equipment and capacity to execute the contract.

Clause 37 deals with agriculture. It provides that operators and contractors in the agriculture sector should establish out-grower schemes for small holder farmers in order to create jobs, improve quality of agricultural products, build capacity, transfer knowledge and technology and build the revenue of small to medium scale farmers in the rural areas in particular.

Clause 38 deals with procurement. It stipulates that first consideration should be given to Sierra Leonean companies bidding for procuring materials, products and goods for ministries, departments and agencies.

Clause 39 deals with institutional feeding supply. It provides for the supply of food produce to public institutions first consideration should be given to local food. Local food is defined as rice, cassava, cocoa, groundnuts, palm oil, corn and millet.

PART– VII deals with Sierra Leonean Content Plan and other related provisions.

Clause 40 deals with the Sierra Leonean Content Plan. It provides that in a call to tender or in direct negotiations for any right licence, concession, permit or interest and before carrying out operations or commencing a project in the sectors covered by this Act, an operator should submit a Plan to be known as the Sierra Leonean Content Plan to the Agency demonstrating compliance with the Sierra Leonean content requirements of this Act. The Agency should review and assess the Plan and if satisfied that the Plan complies with the Bill, issue a certificate of authorisation to the operator for that project

Clause 42 deals with tender evaluation it stipulates that operators and contractors should consider Sierra Leonean content when evaluating any tender where the tenders are within five percent of each other at the commercial stage and the tender containing the highest level of Sierra Leonean content should be selected provided the Sierra Leonean content in the selected tender is at least five percent higher than its closest competitor.

Clause 43 stipulates that for all proposed projects, operations, activities, contracts, subcontracts and purchase orders estimated by the operator to be in excess of two hundred and fifty thousand United States Dollars(\$250,000.00) equivalent in Leones the operator should provide to the Agency for approval advertisements, pre-qualification criteria, technical tender documents, technical evaluation criteria and the proposed list of persons who have placed tenders.

Clause 44 deals with submission of job forecasts. It stipulates that operators should submit to the Agency a list of all contracts, subcontracts and purchase orders exceeding 30 days prior to the first day of each quarter a list of all contracts, subcontracts and purchase orders not exceeding two hundred and fifty thousand United States Dollars (\$250,000,00) equivalent in Leones for it to be put out in tender or executed in the upcoming quarter.

Part VIII deals with employment and training of citizens.

Clause 54 stipulates that first consideration should be given to citizens with the required qualifications for employment and training in any project executed by any operator or contractor in the sectors covered by this Bill. It further stipulates that first consideration should be given to citizens possessing the necessary or

adequate qualifications, and having the requisite expertise and experience for employment in all phases of operations in all the sectors covered by this Bill and in accordance with the labour laws.

Clause 55 stipulates that the Agency should ensure that operators or contractors maintain a reasonable number of personnel who are citizens, from areas it has significant operations. It further stipulates that operators or contractors with operations in any of the sectors covered by this Bill shall not import unskilled labour for carrying out any of its operations undertaken under any right, licence, permit or concession.

Clause 58 deals with Sierra Leonean workforce agreement. It stipulates that all contractors or operators should sign an agreement with the Agency on an annual basis on the obligation to integrate citizens into the workforce.

Clause 60 provides that all operators or contractors in any of the sectors covered by this Bill should pay into the Development Fund an annual training research and development fee as may be provided in the licence, permit, contract, concession, agreement or alliance partnership agreement.

Clause 61 deals with technology transfer. It stipulates that operators or contractors in any of the sectors covered by this Bill should prepare and implement plans for the transfer to employees, advanced technological skills relevant to the respective sectors, in accordance with Sierra Leone's own plans and priorities, to the satisfaction of the Agency.

Part IX deals with systems and coordinating forum.

Clause 62 stipulates that the Agency should establish a Sierra Leonean content certification scheme for the supply of designated materials, goods and services. It further stipulates that the Agency should designate the materials, goods and services to which the Sierra Leonean content certification should apply.

Clause 63 establishes the Sierra Leonean Content Scorecard System. It provides that the Agency should establish a Sierra Leonean content scorecard system which should–

- (a) provide a system of measuring compliance with Sierra Leonean content development;
- (b) establish a generic scorecard with elements and weightings based on sector codes;
- (c) set a framework for the accreditation of Sierra Leonean content development verification agencies; and
- (d) set a transitional period for the entry into force of the scorecard.

Clause 64 deals with the Sierra Leonean Content On-line Internal Portal. It provides that the Agency should establish a Sierra Leonean content on-line internal portal which should -

- (a) provide a virtual platform to facilitate transactions required for efficient delivery of goods and services in the industry;
- (b) provide functional interface with the joint qualification system and provide a universal and transparent governance structure drawn from industry stakeholders;
- (c) perform all other functions, roles and responsibilities directed by the Minister in accordance with this Act; and
- (d) track and monitor Sierra Leonean content performance of operators, project promoters as well as suppliers and service providers with the provision of relevant feedback.

Clause 65 deals with Joint Qualification System. It provides that the Agency should establish maintain and operate a joint qualification system in consultation with industry stakeholders which should be administered in accordance with Regulations made by the Minister in accordance with this Act.

Clause 66 deals with the Sierra Leonean Content Consultative Forum. It provides that the Agency should set up a consultative body to be known as the Sierra Leonean Consultative Forum which should provide a platform for information sharing and collaboration in the sectors covered by this Bill.

Part X deals with measures to monitor and evaluate Sierra Leonean content compliance,

Clause 67 provides that within sixty days of the beginning of each year, the operator, contractor or subcontractor should submit to the Agency an annual report to be known as the Sierra Leonean content performance report covering all its projects and activities for the year under review.

Part XI deals with offences .

Part XII deals with miscellaneous provisions.

Clause 74 deals with review of quantitative targets. It stipulates that the Minister should conduct a review of the quantitative targets in specific sectors established under this Act every two years with a view to ensuring a measurable and continuous growth in Sierra Leonean content in all projects, operations, activities and transactions in the sectors covered by this Act.

Clause 77 empowers the Agency to make regulations for giving effect to the Bill.

MADE THIS.....day of August 2015.

MABINTY DARAMY,
Acting Minister of Trade and Industry.

FREETOWN,
SIERRA LEONE
AUGUST, 2015.