



# PARLIAMENT OF SIERRA LEONE

Parliament Building - O.A.U Drive, Tower Hill, Freetown | [admin@parliament.gov.sl](mailto:admin@parliament.gov.sl) | [www.parliament.gov.sl](http://www.parliament.gov.sl)

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## PRESS RELEASE



### **PARLIAMENTARY COMMITTEE ON MINES UNRAVELS NON-COMPLIANCE OF MINING COMPANIES AND ASSURES FAIRNESS IN ADDRESSING ALL EMERGING CONCERNS**

The Parliamentary Committee on Mines and Mineral Resources chaired by the Deputy Majority Leader 2, Hon. Saa Emerson Lamina has over the weekend unraveled noncompliance activities by certain mining companies operating in the country. At the Yankasa mining site operated by the Commodity Trading Company (CTC) Mining Limited, Members of the Parliamentary Committee were informed by CTC that their operation was being frustrated by Kingho Mining Company as a result of their tacit monopoly over the Pepel Rail and Ports.

CTC alleged that Kingho's monopoly over the Pepel rail and port facilities and its apparent refusal to open access and usage to the CTC mining has resulted in their inability to export a huge pile of mined bauxite stocked on-site. CTC maintained that it is because of this monopolistic antics of Kingho that the company is unable to extend employment to thousands of Sierra Leoneans. The company alleged that Kingho's action has also stifled its revenue mobilization drive that could directly enhance national economic growth.

During an oversight tour at the CTC mining site at Yankasa in the Port Loko District, the Committee Members discovered a pile of bauxite worth a huge amount of money stagnated. CTC management alleged that the unwarranted action has adversely affected their operations and has consequently cost them a whopping loss of USD 16 million in production costs and other attendant expenses.

Meanwhile, the Committee is yet to make any policy statement on these CTC allegations until it gets the side of Kingho Mining.

In Lunsar also in the Port Loko District, the host community stakeholders accused the Marampa Mines Limited of micro-managing the Community Development Fund, especially the 10% allocated for the Community Development Committee (CDC) and administrative activities. During an engagement at the Koidu City Hall, host mining community members made a series of allegations against some mining companies. For instance, it was alleged that mining companies operating in Kono District have not paid the 1% CDA to mining Communities, which accordingly if found to be true, is a breach of the Compliance Policy of the Mines and Mineral Development Act of 2022.

The Oversight Committee during its exercise in Kono District also noted a serious management crisis at the Seawright Mining Company, related to shareholding and delays in operations. It was also discovered that most mining companies do not have a Mining Lease Agreement (MLA).

Climaxing the oversight engagements, the Chairman of the Committee promulgated the following rulings:

1. To immediately summon shareholders of the Seawright Mining Company to a meeting with the Oversight Committee;
  2. That companies be prepared to obtain MLA in line with the laws of Sierra Leone;
  3. Requested an immediate update of the various CDA by the various mining companies as a way of eliciting possible resources that could help boost the Government's Youth Employment Scheme;
  4. Implored all the parties to uphold the peace and assured that the Committee will be fair and transparent when it takes into consideration its position on the various issues, the voices of the people, the concerns of the investors, and the expectations of the State.
- Earlier, the Chairman serially assured all witnesses of the Parliamentary Committee's support and reiterated President Bio's political will towards the enhancement of the mining sector, especially the 1% profit on sale meant for CDA to support host communities and the 70% Surface Rent payment to land owners as enshrined in Section 36 of the Mines and Minerals Development Act of 2022.

Parliamentary and Public Relations Department

Parliament of Sierra Leone

+23278697776