



Solomon Islands Extractive Industry Transparency Initiative

1. Introduction

This is the Solomon Islands EITI 2016 progress report. The report is in compliance to requirement 7.4 of the EITI standard 2016. The report will present overview of the activities engaged on throughout 2016 fiscal year including the impacts of EITI on Solomon Islands management of our natural resources and key implementation challenges and progress against the recommendations in the SI EITI reports.

This report is authored by SI EITI National Stakeholders Group with the support of the SI EITI National Secretariat Office.

2. Summary of SI EITI Activities

Following the new Government formation in early 2015, Solomon Islands Extractive Industries Transparency Initiative (SIEITI) faces challenges of gaining the political level commitment by the current ruling Government, However, that does not stop the work of SI EITI as the following activities were carried in 2016:

- 2015 SI EITI Report
- National Mineral Policy Consultation and awareness in provinces
- SI EITI undergo the Validation process
- SI EITI continues to holding it's members meeting through the year
- Close engagement with the MSG members

The above activities were carried despite a consistent challenge with a shortage of staff at the National secretariat, low understanding of EITI standard and legal constraints on data accessibility. Overall, SI EITI is able to implement the about 85% of 2016 planned activities:

3. Assessment of progress with meeting compliance to each EITI Requirement.

1.1. Government engagement (#1.1)

To comply with this requirement, the SI EITI continues to hold briefings and meetings with the new Government and successfully gained the support of key Government official in the MSG membership. Most significantly, the Prime Minister, Hon. Manasseh Damukana Sogavare in a speech to celebrate our country's 2015 national independence has announced the Government commitment to working on the Solomon Islands EITI chapter. SI EITI appropriate budget support from the government for operation of SI EITI when the World Bank Grant supports ends in 2015 and inclusion of some of the EITI reporting requirements in draft National Mineral Policy.





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The National Stakeholders Group is actively functioning with Companies (Axiom & Sumitomo) are actively engaging in EITI process by attend SI EITI meetings, workshops and other activities.

1.2. Industry engagement (#1.2)

Other Extractive Industries in the Solomon Islands have expressed support to participate on EITI process, however asked the SI EITI Office to provide comprehensive information about EITI before they can participate. We have consulted production companies and them expressed and agreed that transparency and accountability is a responsibility of their company.

In 2016, Axiom KB Mining Limited and SMM Solomon Limited were only our active participants of SI EITI. Both have expressed a challenge with companies' decision makers whom base at companies Headquarters overseas as their key reason holding them from comply with data discloser as requested by the SI EITI.

1.3. Civil society engagement (#1.3)

Member of the CSOs groups are active in SI EITI process. In 2016 there are total of 6 CSOs member in the NSG and they are being active in the EITI process. But concerns were raised on their capacity to do their work.

1.4. MSG governance (#1.4)

The Solomon Islands EITI governance is founded on the NSG MOU established in 2012. In 2016, the SI EITI is having challenges on if the Minister for the Ministry of Finances & Treasury is the champion of EITI inheriting the role from his former colleague ministers. However, SI EITI has an active and senior government official as the National Coordinator and 2 EI members and 6 CSOs members. The NSG has lead the SI EITI to continue operating to date. Below is the Governance structure of the SI EITI. SI EITI is active in both contribution and inputs to the new Solomon Islands National Mineral policy which result EITI reporting requirements is covered in the policy. This will resolved many challenges we faced. This year (2017) we aimed to support reform on the current Mining Laws here in Solomon Islands. The NSG has been holding continues consultation with various Government agencies to gain government support and aligned EITI to national priorities. We have published our Beneficiary Ownership Road Map, this will be followed by an Open Data Policy will followed later. We are conducting stakeholder consultations on that document.

1.5. Work plan (#1.5)





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The NSG members have held a meeting the 17 March 2016 which they endorsed the 2016 work plan. The work plan has the following goals that are related to the national priorities:

- SI EITI implementation barriers removed and reporting entities comply with EITI reporting requirements and National Secretariat and NSG strengthen to implement EITI work plans
- Solomon Islands meet EITI Standard to deliver sustainable, transparent and accountable natural resource management
- Increase awareness of stakeholders and the public by disseminating reports and holding community outreach campaign.
- Build stakeholder capacity to implement, monitor and participate in EITI—including SIEITI governance capacity. Enhance government capacity to implement and civil society (including women) capacity to participate

2.1. Legal Context

The country's Mineral Policy is subject to the Mines and Minerals Act 1996 and the Mines Mineral (Amendment) Regulation 1999. These legislations create a centralised regulatory framework for mining in the Solomon Islands. The three main stages of the mining sector are: reconnaissance, prospecting and mining. The Mines and Minerals Act and Regulations is aimed at making sure that mining in is properly regulated in order to safeguard resources and ensure proper utilization of extractive resources to maximise revenue, and other benefits for the benefit of the country and people.

2.2. Licensing

The three types of licence available to large-scale operators are:

Reconnaissance Permits:

Reconnaissance is the first stage in the mining process, for which a company must obtain a Reconnaissance Permit from the government. A company with a Reconnaissance Permit is only allowed to take photos and small samples from rocks on the surface of the ground. A Reconnaissance Permit does not allow the use of machinery to drill holes or dig trenches in the ground. A Reconnaissance Permit lasts for one year and can be renewed for one additional year.

2.2.1. Prospecting Licence

Prospection is the second stage in the mining process. A Prospecting Licence holder is allowed to use machinery to drill holes and dig trenches. Prospecting may involve clearing large areas of vegetation to





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allow vehicles and drilling rigs onto the land. A Prospecting Licence can cover an area of up to 600 square kilometers, and is valid for three years. It can be renewed for two further two year periods.

2.2.2 Mining Lease:

Mining is the third and most important stage. Prospective mining companies must get a Mining Lease from the government. Mining Leases cover a smaller area of land than Reconnaissance Permits and Prospecting Licences, but a company with a Mining Lease is likely to do much more extensive work than during the other phases. This work includes constructing roads and site clearing, extracting ore from the ground, disposing of unwanted waste rock and soil ('overburden'), processing the ore and disposing of the processing waste ('tailings'). A Mining Lease lasts for 25 years, with unlimited additional renewals for 10 years at a time.

Small scale mining in the Solomon Islands is centrally regulated through the MMA. Part VI of the MMA sets out a separate process for small-scale miners to obtain permits, referred to as 'alluvial miner's permits'. 'Alluvial mining' in this context refers specifically to small scale mining carried out by individuals or groups.

2.3. Environmental

The Mines and Minerals Act does not contain any comprehensive environmental protections. It only empowers the Minister for Mines to make regulations for the disposal of waste and the protection of the environment. These regulations primarily require a mineral sector developer to 'carry out operations with due diligence, efficiency and economy and in accordance with good technical engineering practices generally used in the mining industry.

The Environment Act imposes two contingencies on mineral sector developments.

First, the Environment Act requires a mineral sector developer to obtain a Development Consent from the Director of the Environment and Conservation Division before it is allowed to carry out a 'prescribed development'. The Environment Act sets up a second contingency for mineral sector developments which requires a mine to be licensed.

2.4. Taxation

The current mining tax regime comprises of a number of pieces of generic legislation. There is currently no sector-specific tax policy. The primary legislative instruments having a bearing on the sector: Income Tax Act, Sales Tax Act, Goods Tax Act, Customs and Excise Act and Stamp Duties Act.





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Income Tax: Income tax is charged by assessment on the total income (excluding exempted income) derived by any person (individuals, corporations or body of persons excluding partnership). In ascertaining the total income chargeable with tax, certain specific and general categories of expenditure are allowed as deductions.

Goods Tax: Goods tax is charged on the sale value of goods manufactured in the Solomon Islands and goods imported into the Solomon Islands for home consumption. The sale value of goods manufactured in the Solomon Islands is generally the wholesale price of the goods. The sale value of goods imported for home consumption in the Solomon Islands is 130% of the sum of the cost, insurance and freight (CIF value) plus customs duty payable.

Sales Tax: Sales tax is a tax on the supply of certain prescribed goods and services. Tax is charged on the goods and services by the vendor at the time of supply/sale and is subsequently remitted to the Commissioner.

Royalties: MMA requires mining lease holders to pay royalties, but does not prescribe specific royalty rates. Instead, MMA and the Customs and Excise Act provide that the Minister for Mines may set the royalty rate on a case-by-case basis, in consultation with the Minister for Finance. According to the Agreement signed with the Solomon Islands sole operational mine, Gold Ridge, the royalty rate was set at 1.5% of gross revenue from the sale of gold and silver. The MMA permits the Minister for Mines, on application from a mining lease holder, to defer or wholly or partly remit royalty payments.

Import duties: The Customs and Excise Act provides for the levy of import duties. Some imports which are classified as input to manufacturing are granted a generic partial exemption, while some specified imports receive a full exemption. The Minister of Finance has discretion to grant ad hoc exemptions.

Export duties: Export duties are levied by virtue of the Customs and Excise Act, and apply to the export of natural resources. This can be contrasted with the export of manufactured goods, which instead are covered by the goods tax provisions set out in the Goods Tax Act. The Customs and Excise Act applies a 15% duty to the export of minerals. The MMA mandates that mining lease holders are liable to pay export duties. MMA states that the Comptroller of Customs and Excise must take into consideration the royalties paid in respect of the minerals being exported in determining the applicable export duty in a given case.





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License allocations (#2.2)

To comply with this EITI requirement, NSG always requested information on mining licenses that were issued by the Ministry of Mines, Energy and Rural Electrification on annul basis. Base on data obtain, there was total of 4 mining leases. Out of the 4 license, only one mining lease license was issued for year 2016 while others were issued in years back.

License register (#2.3)

The total companies with prospecting license at the end of 2016 is 21 prospecting companies. Each company may have more than 3 prospecting licenses. This may means more than 3 tenements.

Policy on contract disclosure (#2.4)

There is no specific policy on the contract discloser from mining in the Solomon Islands, however, a new mines and mineral policy which is at the finalizing stage which holds clause on the contract discloser. According the Mines Division of the Ministry of Mines, Energy, and Rural Electrification, the policy is schedule to be launched and implement in 2017.

Beneficial ownership (#2.5)

The NSG is working towards publishing it's beneficial ownership road map. Our plan shall to finalize the policy in the end of 2016. The implementation of the BO shall commenced in the early 2018.

3.1. Exploration data (#3.1)

The map is exploration data of the Solomon Islands obtain from the Mines Division, of the Ministry of Mines, Energy and Rural Electrification.





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Advisor Province Guadalcanal Province Guadalcanal Province Guadalcanal Province Guadalcanal Province Guadalcanal Province Temotu Province Temotu Province Source Mine Division - Transverse Mercador Projection. WGS 84 Datum Source Mine Division - Transverse Mercador Projection. WGS 84 Datum Source Mine Division - Transverse Mercador Projection. WGS 84 Datum Online See Transverse Mercador Projection. WGS 84 Datum Source Mine Division - Transverse Mercador Projection. WGS 84 Datum Online See Transverse Mercador Projection. WGS 84 Datum Online See Transverse Mercador Projection. WGS 84 Datum Online See Transverse Mercador Projection. WGS 84 Datum

3.2. Production data (#3.2)

Whilst Gold Ridge Mine is suspended, the mining focus thereon is on Bauxite Mining in Rennell Bauxite ore deposits which have been commenced since the fourth quarter of calendar year 2014 and extended to 2015. Total of six (6) shipments has been exported to Shandong, China. Total of 388,644. WMT (wet metric ton) of which report obtain from the Mines Division explained that of the total wet metric tonne, 273,592,850.19 is dry metric tonne (DMT). The company which doing the export of the Bauxite from Rennell Islands is the APID mining company on various dates as denoted against in its shipment.

3.3. Export data (#3.3)

The extractive industry is also a major contributor to the economy. The closing down of the Gold Ridge Mine has affected exports in the mineral sector. The sector has recorded a decrease of around 197%





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from 626,600 ounces to only 210,000 ounces of gold exports in 2014. This has also affected the country's real GDP growth.

Direct subnational payments (#4.6)

SI EITI National Secretariat visited the provinces and conducted consultation with provincial Government on the direct subnational payments to comply with EITI requirement 4.6. For the provinces consulted including Choiseul, Western, Isabel and Rennell/Bellona provinces. Most provinces have business licences ordinances which prescribe fees base on types of licences. Choiseul Province Treasury reported no payment received for prospecting companies in 2015 due to licence were expire while Solomon Bauxite has not been issue a province business licence. Western province also reported no any payment in 2015. Isabel reported a total of 300,000 was paid by the Axiom KB Mining Limited for the San George Tenement. Sumitomo has launched a mining lease application for their tenement areas to the mineral Board and is still under consideration.

4.7. Disaggregation (#4.7)





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		Tomr	olates Lodged (SB	D'm)	Final	Results *SBD'm)	
Nos	Tax	Company	Gov't	Diff	Company	Gov't	Diff
NUS	MMERE/MoFT/CBSI	Company	GOVE	Dill	Company	2,004,124	DIII
1	Royalties					2,004,124	
2	Mining License fees		1,869,738			1,869,738	
3	Prospecting License fees		80385.85			80385.85	
4	Gold Dealers License		54,000.0			54,000.0	54,000.0
5	Reconnaisance License		54,000.0			3-1,000.0	34,000.0
_	Alluvial license fees						
7	Special site license fee					2,004,124	
8	Road Access Fee					2,00 1,12 1	
	Building Matrials						
9	License fees						
	MCILI - MoFT		800,300.00			800,300.00	800,300.00
10	Registration fees		3400				
11	Residence permit fee						
12	Work permit fees		796900				
	IRD - MoFT		4,286,806			4,286,806	4,286,806
13	Tax on profit/Turnover		99,364.80				
	Provisional Tax		37,500.00				
15	Additional Profit Tax						
16	Property Taxes						
17	PAYE		2,176,247				-
18	Withholding		1,928,184			1,928,184	1,928,184
19	Sales Tax						
20	Goods Tax						
21	Stamp Duties		45,510.51				
	CED - MoFT		5,100,094			5,100,094	5,100,094
22	Export Duties		4,739,358				-
23	Import Duties		114,701.50				
24	Goods Tax		246,034.40				
	SINPF						-
25	NPF Contributions		7,712,570			7,712,570	7,712,570
	Provincial Gov't		300,000				
	Taxes, Fees, and other						
	payments to Provincial						
26	Gov't		300,000				-
	Govt' Agencies						
	Other taxes, fees, and						
27	other payments to Gov't						
	Total					-	-

Data timeliness (#4.8)

The SI EITI is believe is timely as it do annual report.

Data quality (#4.9

In order to comply this EITI standards and to ensure the quality data is submitted, we proposed the following approach in the preparation of the 2015 EITI report:

• All Government templates must be signed by a Senior Official;





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• All figures reported in the template declaration should be detailed payment by payment and date by date in the supporting schedules;

The Public Finance and Audit Act requires the preparation of the SIG financial statements on a cash basis. Chapter 2 of the Interim Financial Instructions 2015 requires that the preparation and presentation of the annual accounts must be in accordance with the IPSAS accounting standards. We have checked to ensure that that this requirement is observed by the MoFT.

Due to closure of operations, St Barbara Mining Limited will not participate in the exercise, however, when necessary, data on its contributions to the economy may captured. For Provincial Governments, visits were made to Isabel, Choiseul, Western, Rennell & Bellona and Guadalcanal Provinces purposely to assist with the collection of data. The SI EITI, National Coordinator send letters and reminders to the IRD and CED to get the data for the

Distribution of revenues (#5.1)

		2015			Amount (SBD'n
Aggregate	IRD (MoFT)	MoFT	MCILI(MOFT)	CED (MoFT)	Total
Aggregate	1,751,468,006	2,004,124	1,050,865	5,100,094	1,759,623,089
		-		-	-
	-				-
Total					1,759,623,089

Subnational transfers (#5.2)

According to the mines mineral (royalties) ordinance 2011, the Government shall establish funds to receive payments of royalties for the benefit of the landowners (80%) and the Provincial Government (20%). Table below shows the royalty payment for the Bauxite payment in 2015 base on the ratio.





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BINTAN MINING SI LIMITED						
Export Duty (based on 20%)						
Shipments: BMC321 - BMC332						

Port of Loading:

Shipment	Name of Buyer	Date of Shipment	Mother Vessel	Proceeds	Port of Discharge	AL203 (%)	Wet Metric Ton (WMT)	Moisture %	Dry Metric Ton (DMT)	40% LO Share (Based on 6.5%)	10% Provincial Fund Share	50% SIG revenue share	TOTAL ROYALTIES
BM C321	Chiping Xinfa Huaya Alumina Co. Ltd	22/12/2014	MV Shan Feng Hai	5,855,348.99	Huanghua Port, China	49.25%	51,120	26.33%	40,829	152,239.06	38,059.77	190,298.84	380,597.67
BM C322	Shandong Hongqiao New Material Co. Ltd	25/02/2015	MV Jia Cheng Shan	5,280,601.43	Longkou, China	48.12%	55,881.00	28.87%	39,748.16	137,295.62	34,323.91	171,619.54	343,239.07
BM C323	Shandong Weiqiao Pioneering Group Co. Ltd	1/04/2015	MV Jia Xin Shan	5,893,265.66	Longkou, China	49.02%	55,968.00	28.57%	39,978.64	153,224.89	38,306.22	191,531.12	383,062.23
BM C324	Shandong Binbei New Material Company Ltd.	8/05/2015	MV Jia Cheng Shan	5,702,830.88	Yantai, China	47.28%	56,907.00	30.88%	39, 334.12	148,273.60	37,068.40	185,342.01	370,684.01
BM C325	Shandong Binbei New Material Company Ltd.	30/06/2015	MV Yuen Dian	5,165,922.60	Longkou, China	47.56%	50,756.00	31.12%	34,960.74	134,313.98	33,578.50	167,892.49	335,784.97
BM C326	Chalco Qingdao International Trading Co. Ltd.	24/11/2015	MV BaoHe Ling	4,886,725.04	Lianyungang Port, China	47.43%	46,211.00	30.15%	32,278.80	58,640.69	14,660.17	73,300.86	146,601.72
BM C327	Yantai Jintai International Trade Co. Ltd.	31/08/2015	MV Shun Feng 9	5,241,086.78	Longkou, China	46.12%	71,800.00	29.98%	46,720.54	62,893.04	15,723.26	78,616.31	157,232.61

Revenue management and expenditures (#5.3

Mining Revenue is managed by numbers of government agencies as explained in chapter 2 of this report. At time of the reporting, we are unable to report on the government expenditure in relation to the mining revenue due to the revenue was in the government consolidate account.

6.1. Mandatory social expenditures (#6.1.a)

Not covered in this report for this reporting.

6.2. Economic contribution (#6.3

Industry	2012	2013	2014	2015
Gross Domestic Product (SBD million	4141.9	4258.6	4344.7	4487.7
Mining and Exploration (SBD millions	221.5	192.8	79.1	47.5

Public debate (#7.1)

To comply with the requirement 7.1, the Solomon Islands National Stakeholders Group (NSG) has hosted the SI EITI National conference in October 2015. There were total of 200 participants from across the country including Government, Companies, Landowners and communities gathered to discuss the





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futures of EITI. Resolutions was made following the event and notable one is for EITI to be a source of information for stakeholders. The EITI to be localise to the local situation and continue to be implemented.

The NSG participate at the International Transparency day boots showcase our work on the EITI. Private at the radio talk back show and media release soon the work of the EITI.

The website is being publishing and update report of the SI EITI

Data accessibility (#7.2)

Data access is notably with the extractive industries is challenge, to access the data, the NSG has review the reporting template and held number of the consultation with the industries. We have find out the decision was made the owners of the companies that base at the company's headquarters and that cause us to be at the limited space to proceed with accessing the. The NSG made decision the 2015 reporting shall be unilateral.

however the common reasons cited by companies for not giving data for SI EITI reporting is a challenge with companies' decision makers who base at their Headquarters simply because these companies are at the prospecting stage

4. Overview of the Multi-stakeholders Group's Response to and progress made in addressing recommendation from the reconciliation Report and Validation Report:

The SI EITI have selected these recommendations to be implemented in 2016. Below is an update of the progress made against.

No.	2014 Report RECOMMENDATION	Rating	Progress Update
1	9.1 Lack of EITI Database		National secretariat is collecting
	It appeared that to date the SIEITI Secretariat is		relevant EITI data and plan to make
	having problems with the collection of data		those data available in our website.
	from extractive companies. The lateness in the		There some data that are require
	compilation of the Reconciliation Report for		certain process before they are made
	2014 was the result of the delay in submission		access to by the public and we ensure
	of data by extractive companies or the lack of		the process are met before the data are
	available data to enable timely collection and		release.
	compilation of data and report.		





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	31	
	We recommend that the SIEITI Secretariat	
	pursue installation of their database and	
	system to allow the storage of data from	
	extractive companies and Government	
	Agencies to submit data of companies	
	operating in the extractive sector this is	
	intended to enable easy access to data for ease	
	of easy data collection and timely compilation	
	for future reconciliation work.	
2	9.2 Lack of Commitment by Participating	This is an appaina shall a very few SUSTT
	Companies There was lack of commitment by participating	This is an ongoing challenges for SI EITI until to date. The NSG is making an
	There was lack of commitment by participating companies affecting the timely collection of	ongoing numbers of consultations with
	data:	the industries with an aim to increase
	uata.	access to data from the extractive
	Reporting Entities	Industries.
	There was no preparation by the two selected	maddines.
	companies of documents for the Administrator.	
	They have not been able to furnish the required	
	information to the Administrator even after	
	reminders and consultations with the National	
	Secretariat Office.	
		The Minister was consulted and
	We recommend that the SIEITI formally make	requested that to maintain good
	recommendation to the Minister of Finance to	relationship with investors, the EI
	consider making the submission of data and	should be given enough time and
	templates a compulsory exercise that must be	consultation to sign a consent letter for
	done by the extractive companies each fiscal	release of data.
	year. Such process should be supported by	
	guidelines stating requirements including	
3	penalties for non-compliance	
	9.3 Lack of understanding and commitment on	
	EITI principles by some stakeholders	
	We note that some stakeholders that involved	
	in the reconciliation process (extractive	
	III and recontinuation process (extractive	<u>l</u>





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	companies and Government Agencies) do not	
	have a good understanding and knowledge of	
	EITI, its international significance and Solomon	
	Islands' membership. Certain stakeholders do	
	not understand the SIEITI Reconciliation report	
	for the year 2013.	SI EITI have implement this action in
	We recommend that as a matter of urgency,	2015
	SIEITI look into hosting a conference/workshop	
	for representatives from extractive companies,	
	related government agencies and stakeholders	
	to be informed of the roles of SIEITI in Solomon	
	Islands. Maybe this will assist to provide	
	information and understanding of the	
	important role of SIEITI.	
4	12.5 Communication enhancement	Website was launched in October 2015.
	The SIEITI Secretariat website is now ready for	
	use but the delay in its launching will slow	
	down the need to inform the public of the	
	important role played by the EITI in Solomon	
	Islands.	
	32	
	We recommend that the SIEITI prioritise the	
	development of the website including a portal	
	in which all data and documents are published	
	in order to enable better dissemination and to	
	a wider audience. It is worth noting that	
	website is at its final stage of completion.	

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

MSG has produced the work plan and endorsed it in March 2016. The delay to hold the meeting in early 2016 and eventually the endorsement of the work plan was due to a delay by the new government to appoint the new minister for Finance and Treasury. Also the SI EITI staff contract expires and MSG dedicate the early months of 2016 to renew the contracts and work on securing a clear commitment from the new government on EITI.

The 2016 Work plan has these three (3) targets:





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- Reporting entities especially companies comply with Reporting requirement under the EITI
- SI EITI make meaningful progress on EITI requirements and SIEITI meet EITI Standard
- Informed, dedicated and cohesive implementation of SIEITI program.

2.1. Assessments of Progress against the Targets

2.1.0. Reporting entities especially companies comply with Reporting requirement under the EITI.

EI companies reporting compliance to EITI is a challenge. However, an advantage for Solomon Islands EITI is the National Mineral policy shall be launched in 2017. The policy make it a requirement for the companies to report disaggregate data to the Government and the Government to publish an annual report. Generally we close to reaching this target.

2.1.1. SI EITI make meaningful progress on EITI requirements and SIEITI meet EITI Standard

The overall validation assessment for SI EITI is Solomon Islands made inadequate progress against the EITI requirement. We have not meet our target of being a compliance country by 2016 and plans are in place to reach compliance stage in the 2018.

2.1.2. Informed, dedicated and cohesive implementation of SIEITI program.

The Solomon Islands Government has been committed to implementing EITI with senior government officials holding the MSG membership and leading the National Secretariat. The Extractive Industries MSG members are dedicated, however, it their companies' shareholders shared different views from their representatives at the MSG.

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 2016.

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

Strengths:

- Government Official Commitment-The National Coordinator and Permanent Secretary for Ministry of Finance and Treasury
- Multi-Stakeholders team working together
- Support from the EITI International





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Weakness

- Voluntary nature of work for SIEITI cause coordination of Data a challenge for EITI Reports
- Funding threat
- A challenge with no dedicated personnel to coordinate the EITI program.
- Shortage of Staff. Currently only two officers are fulltime officer at the SI EITI Office-The Head of the SI EITI and Procurement Officer

Opportunities

 Reduces corruption in the mining sector because of the high level of transparency require under the EITI standard

Threat

 Political level Government commitment has not being clear whether it committed to EITI or no anymore

6. Total costs of implementation?

The work plan total estimated cost for implementing SIEITI was approximately SBD\$200,000 in 2016. A large portion of the support comes from SIG.

7. Any additional comments

No additional comments.

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:

	A. Government Representatives									
1	McKinnie P	EITI National	Ministry of							
	Dentana	Coordinator	Finance &							
		(Under	Treasury							
		Secretary,								
		MoFT)								





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	Coorgo Tono	Danutra	Ministry of	
	George Tapo	Deputy Commissioner	Ministry of Finance and	
		Commissioner		
	7.1		Treasury	
	Ishmael	Geologist	Ministry of	
	Khegrasopa		Mines	
	Lilian	Senior	Ministry of	
	Danitofea	Tenement	Mines and	
		Office	Energy	
	Mary Leo	Auditor	Office of the	
			Auditor	
			General	
	Vincent	Head of the	SI EITI Office	
	Obimae	SIEITI		
B.	Mining Compa	ny Representativ	es	
1	Dr. Phil	Manager	Axiom	
	Tagini		Company Ltd	
2	Nicholas	Camp Manager	SMM	
	Biliki		Solomon	
			Limited	
C . (Civil Society Re	epresentatives		
2	Mary Bollen?	Community	Community	
3	Mere Levo	Representative	Northern	
		1	Fauro Civil	
			Society	
4	Nancy Jolo	General	Development	
		Secretary	Services	
			Exchange	
	Willie Atu	Director	The Nature	
		Manager	Conservancy	
	Josephine	President	Voice Blo	
	Teakeni	1 1 coldelle	Mere	
	Teakem		Solomon	
			SOTOTITOTI	

Date: 07/06/2017





Solomon Islands Extractive Industry Transparency Initiative