Sierra Leone

Relevant Laws

1. Sierra Leone Mines and Minerals Act, 2009 (2009 Act)

Conditions for Competitive Bidding

The 2009 Act specifies that for geographic areas in which minerals have been discovered by a government survey, the Minister may by notice in the *Gazette* and in a local newspaper designate an "exploration area of mining area." (Article 25 (1), 2009 Act). In Sierra Leone, discretion for competitive bidding lies in the designation of a qualifying area by the Minister. For areas with the requisite geological information designated as exploration or mining areas, bidding is mandatory. "The Minister shall not award any mineral rights to any person…except by way of public tender." (Article 25 (2), 2009 Act). In addition to this specification, the legislation later references a first-come, first-served process in circumstances "where two or more applicants, not acting together, each make an application for the grant of any mineral right over the same area or overlapping area," the first applicant to register is considered priority to other applicants (Article 27, 2009 Act).

Two-Tier Bidding – Pre-Qualification Criteria

The 2009 Act does not appear to set out specific parameters regarding the structure of the tender process apart from when a tender process must be conducted (*i.e.*, after a minister designates an area with requisite geological information an exploration or mining area).

Bidding Process

The form of bids is not specified in the legislation. There is no reference to specific criteria for evaluation of bids. (*See* Article 28, 2009 Act)

Biddable Factors/ Evaluation Criteria

Information not available.

Bidding Fee – Revenue/Buy-In

The 2009 Act specifies that an application for a mineral right or renewal of a mineral right shall be accompanied by a non-refundable application fee. (Article 28, 2009 Act).

Eligibility

- 1. No mineral right may be granted to an individual who:
 - a. Is under 18 years old
 - b. Is not a citizen of Sierra Leone or has not been ordinarily resident in Sierra Leone for a period of ten years immediately preceding his application for a mineral right
 - c. Is an un-discharged bankrupt, having been adjudged or otherwise declared bankrupt under any written law, or enters into an arrangement or scheme of composition with his creditors
 - d. Has been convicted of an offense involving fraud or dishonesty
- 2. A co-operative society which is not registered in accordance with the laws of Sierra Leone
- 3. A body corporate
 - a. Which is not registered or incorporated under the Companies Act
 - b. Which is in liquidation other than which forms a part of the scheme for the reconstruction or amalgamation of such a body corporate
 - c. In respect of which an order has been made by a court of competent jurisdiction for its winding up or dissolution

- d. Which has made a composition or arrangement with its creditors
- e. Which has among its shareholders any shareholders who holds at least 10% share of the company or a director, who would be disqualified in terms individual requirements (Article 26, 2009 Act)

Other Sources

1. Herbert Smith Freehills, Mining in Sierra Leone: an overview of the current legal framework