Minutes

EITI International Secretariat

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MINUTES OF THE 42ND EITI BOARD MEETING

42-1 Welcome by the Chair and adoption of the agenda

Ihor Nasalyk, Ukrainian Minister of Energy and Coal, welcomed participants to the Board meeting. He explained that the EITI was contributing to improving Ukraine’s attractiveness to investors and ensuring a flourishing extractives market. He highlighted that the Ukraine EITI had made data more accessible and that the country had adopted one of the most progressive transparency laws in Europe.

Fredrik Reinfeldt, the Chair of the EITI Board, commended the work done by EITI stakeholders in Ukraine in improving the governance of the sector. He welcomed Mark Robinson, attending his first Board meeting as Executive Director of the EITI International Secretariat. He invited the Board to accept Chris Murgatroyd from DFID as a new Board member which was accepted. He also welcomed Geneviève Van Rossum from France and Stephen Douglas from Total as new Board members. He added that Mankeur Ndiaye had resigned from the Board and that Marième Diawara, the National Coordinator of Senegal EITI, had replaced him as alternate. He welcomed Ana Carolina González Espinosa, back from her maternity leave, and announced that Montty Girianna, Maria Teresa Habitan, Simone Niven and Faith Nwadishi could not attend the meeting.

42-2 Report from the Secretariat

Report from the Executive Director

Mark Robinson set out his vision and priorities for EITI over the next 5-10 years (these are elaborated in this blog). He explained why he was attracted to the Executive Director position, the wider opportunities for EITI in the context of the broader global agenda, and the specific priorities for EITI around systematic disclosure and open data and working as one EITI globally. He said that the Global Conference in Paris in June provided an excellent opportunity for building engagement around this agenda. Mark also outlined his main priorities over the past 100 days, focused on getting to know staff in the international secretariat, meeting key stakeholders and partners, and supporting the process to nominate the new board chair. He concluded by highlighting the value of the talented, committed and hard-working staff and the multicultural environment in the Secretariat, successfully completing a new recruitment round, and the opportunity presented by the move to modern, open, and welcoming office accommodation in July.

Board paper 42-2-A Implementation Progress Report

Eddie Rich noted that the first IPR of the year often has more reds and ambers because so many reporting deadlines (including Annual Progress Reports) fall at the end of the year. However, he added, deadlines catalyse progress and that there had been a lot of momentum over the previous two months.
Since the IPR had been written, Togo had published its 2017 APR, so a recommendation to lift its suspension would follow. Cameroon, the Republic of Congo and Sao Tome e Principe had all averted suspension by publishing reports in the past few weeks. Suriname had been suspended for not yet publishing its 2016 report, but Eddie noted that it was expected shortly. He covered the progress in the other eight suspended countries noting that there was, in all cases, some forward momentum.

He then highlighted the broader issue of impact to be set out in the 2019 Progress Report to be launched at the Global Conference. He cited two countries: the country spotlight on Ukraine which had recently passed a law to ensure transparency in extractive industries. The law mandated the disclosure of payments at the project level, the ultimate beneficial owners of companies and material elements of contracts relating to the extractive industry, such as social obligations, building infrastructure and barter arrangements.

The other case was Nigeria which was up for consideration under Validation later in the agenda. However, beyond the technical requirements, Eddie said the NEITI process was influencing debate about the sector through release of information and briefings on the state companies, unremitted funds, disbursements to the regions, the revision of the petroleum sector law, beneficial ownership transparency, etc. Reforms in the sector were a direct consequence of NEITI actions.

Sam Bartlett spoke to the thematic spotlight on the strides EITI implementing countries have been making to make the EITI more accessible, relevant and part of governance systems. EITI data is increasingly informing debate, reforms and trust. He highlighted a few cases including Afghanistan which has an open database where real time tax and royalty payments can be tracked.

Ana Carolina Gonzalez Espinoza asked about what can be done on Guatemala. Eddie noted that the 2016 report had recently been published and validation was coming up soon. This would be a moment to see if there was any serious political commitment behind the process. Moses asked about whether mainstreaming threatened the role of MSGs and about general funding challenges for implementation.

Cielo rejected the notion that mainstreaming and MSG governance were in opposition. She cited the case of the Philippines where systematic disclosure had created an opportunity for the MSG to be more creative and analytical in its approach and shift away from oversight of data collection. Eddie noted that funding for implementation remained a challenge. The outlook for funding in 2019 was unclear in Albania, Ghana, Kyrgyz Republic, Madagascar, Malawi, Mongolia, São Tomé and Príncipe, Tanzania, Trinidad and Tobago and Ukraine.

**Board paper 42-2-8 Outreach Progress Report**

Mark noted that there was a lot of outreach activity at present. He noted that the Argentina application was on the Board agenda and Fredrik and Mark planned a visit in April. He said that applications from Lebanon, Niger and Uganda were expected by the time of the Paris Global Conference or soon after, noting the likelihood of an outreach mission to Uganda shortly. The International Secretariat had recently received missions from Equatorial Guinea and Uzbekistan. He had encouraged the Government of Equatorial Guinea to consult with international civil society on the civil society protocol and other requirements for membership. He called for support from Board members and companies to make more progress on Angola, Brazil, Chile, Ecuador, South Africa and Zimbabwe. Finally, he noted that the Global Conference was an excellent platform for them to commit. Helen Clark would prioritise outreach opportunities in these countries later this year.
Genevieve van Rossum welcomed the interest from Niger and Tunisia. She added that she had spoken with the South African Minister of Mines and the Chamber of Mines earlier in the month about EITI membership and encouraged them to come to the Global Conference. Finally, she highlighted the opportunity for seeking commitments under the OGP prior to the Ottawa Summit in May. Daniel Kaufmann pointed out that Niger was a good case example of how set-backs in EITI implementation can sometimes be turned out to re-energised commitment. Brice Mackosso highlighted the need to carefully monitor civic space in Angola and Niger prior to application and expressed some concern about Chad’s anti-terrorism legislation and its impact on civic space.

41-3 Report from the World Bank

Sheila Khama presented the report from the World Bank including an update on EGPS fundraising and disbursement. The paper included a table outlined the Bank’s portfolio in the extractive sector, focused on reform policies, laws, institutions and contract negotiation. The EGPS trust fund had received funds of USD 36 million and had a current balance of USD 4.7 million. The latest call for proposals (round 6) was issued on 11 May 2018. Sheila noted that EGPS donors had committed to an extension of the first phase, and a second phase on largely the same terms. This would ensure continuity of support for the EITI. This was dependent on further fund raising.

Fredrik responded that the extension and renewal of the EGPS was welcome, but that greater clarity was needed on the timeframe for the next funding round. He noted that some implementing countries that had previously relied on the EGPS had had to explore other options and/or delay implementation.

42-4 Report from the Outreach and Candidature Committee

*Board paper 42-4 Application of Argentina*

Santiago Dondo informed the EITI Board that Argentina had submitted a candidature application for adapted implementation of the EITI. Santiago explained the different milestones in the candidature application, from the commitment made by the Anti-Corruption Lead, Laura Alonso, in the last EITI Global Conference, in Lima February 2016.

Santiago highlighted that the International Secretariat had assessed the application, finding that all requirements were satisfied (1.1 to 1.5) and that the request for adapted implementation was adequately justified. He added that, on 5 February, the Outreach and Candidature Committee had endorsed this recommendation after deliberation and no objection.

Fredrik Reinfeldt welcomed the candidature from Argentina, highlighting that this was an important country to enlarge the EITI family. He expected the EITI to help in bring development to the country from the natural resources.

Mark Pearson expressed Canada’s support to the Argentine candidature and welcomed the new country to the EITI. He added that both Canada and Germany had provided support during the preparation of candidature.
César Gamboa welcomed the Argentina as new member of the EITI and said that CSO members from the Board, Ana Carolina González and himself, had been asked to join a discussion with CSO members to the Argentine MSG during last stages of preparation of candidature. He presented the case as a good example of how Board members could support candidature and outreach efforts.

Daniel Kaufmann also supported the candidature, commenting on the relevance that Argentina’s candidature may have in relation to Chile’s position regarding EITI.

Stuart Brooks also supported Argentina’s application, requesting more information on the adapted implementation would work in practice, including the next steps to get provinces participating, and expected timing.

Finally, Santiago responded the various questions and comments, focusing on the opportunity that EITI represent for the great potential of Argentina in natural resources. In addition, he explained the federal system of Argentina, the functions and competences of provinces, and the next steps about outreach to provincial governments to join the initiative along with the National Government. Regarding timing for this, Santiago highlighted that the suggestion was for the Board to decide that “the EITI approved Argentina’s request for adapted implementation in accordance with the two-phase approach set out in the candidature application. Argentina’s first Validation will take this approach into account. As proposed, the multi-stakeholder group should document the effectiveness of this approach through the first and second EITI reporting cycles. The MSG should then agree a proposal for the subsequent reporting periods for consideration by the EITI Board”.

After this exchange, the Board unanimously approved the Argentine candidature application, including its adapted implementation.

**Actions:**
- International Secretariat to inform the National Coordinator and the MSG about the decision (i.e. approval) of the Board.
- Argentine website to be uploaded.
- News item and press release to be published.

### 42-5 Report from the Validation Committee

Mark Pearson introduced the Validation papers. The Board agreed the Validation Committee’s proposal to submit an updated Board Paper 42-5 on the Validations of Ethiopia, Norway and Trinidad & Tobago as decision items.

**Board paper 42-5 Report from the Validation Committee**

Mark presented the Validation Committee’s recommendation that the Board agree upon criteria for considering new developments subsequent to the commencement of Validation that could be applied consistently to all Validations. The Board was reminded of its discretion under the Validation procedures to consider all available evidence in taking decisions on Validations, including developments and information disclosed after the commencement of Validation. In the past, Mark noted some uncertainty
about the Board’s procedures in exercising this discretion. The Validation Committee’s recommendation was that the Board exercise its discretion to consider developments after the commencement of Validation where four criteria were met, namely that the representation to consider new information had multi-stakeholder group support, that the information be specific and verifiable, that the new developments have material significance for the assessment of individual requirements, and that it be presented in a timely manner.

The Board agreed to the criteria for considering new developments after the start of Validation as per the recommendation in Board Paper 42-5.

Cielo Magno noted that the Validation Committee had discussed practices related to confidentiality and recusals in the work of Committees. Mark asked that the matter would be referred to the Governance and Oversight Committee.

Mark presented the Validation Committee’s recommendation that Ghana had made meaningful progress in implementing the 2016 EITI Standard and would be requested to undertake two corrective actions before the third Validation, commencing 12 months after the Board’s decision. Alex Gordy introduced the case, noting the context, impact and challenges for EITI implementation, highlighting the assessment that Ghana had addressed six of the eight corrective actions from its first Validation. The Board agreed to the proposal in Board Paper 42-5 that Ghana had made meaningful progress overall in implementing the 2016 Standard and would be requested to undertake corrective actions before the third Validation commencing on 27 February 2020 as outlined in Annex A below.

Mark presented the Validation Committee’s recommendation that Guinea had made meaningful progress in implementing the 2016 EITI Standard and would be requested to undertake eight corrective actions before the second Validation, commencing 18 months after the Board’s decision. Dylan Gélard introduced the case, noting the context, impact and challenges for EITI implementation. The Board agreed to the proposal in Board Paper 42-5 that Guinea had made meaningful progress overall in implementing the 2016 Standard and would be requested to undertake corrective actions before the second Validation commencing on 27 August 2020 as outlined in Annex A below.

Mark presented the Validation Committee’s recommendation that Malawi had made meaningful progress in implementing the 2016 EITI Standard and would be requested to undertake eight corrective actions before the second Validation, commencing 18 months after the Board’s decision. Lyydia Kilpi introduced the case, noting the context, impact and challenges for EITI implementation. The Board agreed to the proposal in Board Paper 42-5 that Malawi had made meaningful progress overall in implementing the 2016 Standard and would be requested to undertake corrective actions before the second Validation commencing on 27 August 2020 as outlined in Annex A below.

Mark presented the Validation Committee’s recommendation that Mauritania had made meaningful progress in implementing the 2016 EITI Standard and would be requested to undertake four corrective actions before the third Validation, commencing 12 months after the Board’s decision. Dylan introduced the case, noting the context, impact and challenges for EITI implementation, highlighting the assessment that Mauritania had addressed six of the ten corrective actions from its first Validation. The Board agreed to the proposal in Board Paper 42-5 that Mauritania had made meaningful progress overall in implementing the 2016 Standard and would be requested to undertake corrective actions before the third Validation commencing on 27 February 2020 as outlined in Annex A below.
Zainab Ahmed recused herself. Mark presented the Validation Committee’s recommendation that Nigeria had made satisfactory progress in implementing the 2016 EITI Standard. In accordance with requirement 8.3b, Nigeria would be requested to undergo re-Validation commencing on 27 February 2022. Alex introduced the case, noting the context, impact and opportunities for EITI implementation, highlighting the assessment that Nigeria had fully addressed all sixteen corrective actions from its first Validation. While there was agreement regarding the assessment of progress on individual requirements, debate focused on whether the overall assessment of satisfactory progress in meeting the EITI Standard implied a ‘clean bill of health’ for the governance of its extractive industries. The Board was reminded of the suggested Board statement on the second Validation of Nigeria, which noted the persistence of discrepancies between rules and practice in the governance of the extractive industries. The Board agreed to the proposal in Board Paper 42-5 that Nigeria had made satisfactory progress overall in implementing the 2016 Standard and be required to undergo re-Validation commencing on 27 February 2022 as outlined in Annex A.

Mark presented the Validation Committee’s recommendation that Ethiopia had made meaningful progress in implementing the 2016 EITI Standard and would be requested to undertake 15 corrective actions before the second Validation, commencing 18 months after the Board’s decision. Alex introduced the case, noting the context, impact and challenges for EITI implementation. The Board was alerted that the Validation Committee had considered new developments related to civil society engagement since the commencement of Validation in the April 2018 – February 2019, which had led to an upgrade in the assessment of Requirement 1.3 from “inadequate progress” to “meaningful progress”. The Board agreed to the proposal in Board Paper 42-5 that Ethiopia had made meaningful progress overall in implementing the 2016 Standard and would be requested to undertake corrective actions before the second Validation commencing on 27 August 2020 as outlined in Annex A below.

Erik Nürnberg and Marte Briseid recused themselves. Mark presented the Validation Committee’s recommendation that Norway had made satisfactory progress in implementing the 2016 EITI Standard. In accordance with requirement 8.3b, Norway would be requested to undergo re-Validation commencing on 27 February 2022. Lydia introduced the case, noting the context, impact and opportunities for EITI implementation, highlighting the assessment that Norway had fully addressed all five corrective actions from its first Validation and adhered to the terms of its mainstreamed implementation request. Alan McLean highlighted the challenges of Validation in the context of mainstreamed EITI implementation and called for the Board to recall these challenges in its discussion of changes to the EITI Standard to encourage systematic disclosures of EITI data. In response to questions from Moses Kulaba, Lydia clarified that the draft assessment had been submitted to stakeholders from all constituencies, although only comments from the government had been received. The Board was also reminded of the recommendation to ensure greater accessibility to company disclosures. The Board agreed to the proposal in Board Paper 42-5 that Norway had made satisfactory progress overall in implementing the 2016 Standard and be required to undergo re-Validation commencing on 27 February 2022 as outlined in Annex A.

Mark presented the Validation Committee’s recommendation that Trinidad & Tobago had made meaningful progress in implementing the 2016 EITI Standard and would be requested to undertake eight corrective actions before the second Validation, commencing 18 months after the Board’s decision. Alex introduced the case, noting the context, impact and challenges for EITI implementation. The Board agreed to the proposal in Board Paper 42-5 that Trinidad & Tobago had made meaningful progress overall in implementing the 2016 Standard and would be requested to undertake corrective actions before the
second Validation commencing on 27 August 2020 as outlined in Annex A below.

Mark presented an update on the Validation Committee’s work on the Validation of Myanmar. Alex introduced the case, noting the context, impact, challenges and opportunities for EITI implementation. The Board took note of the update on Myanmar in Board Paper 42-5 and welcomed the prospects of a Validation Committee recommendation for decision via circular.

Cesar Gamboa and Carlos Aranda recused themselves. Mark presented an update on the Validation Committee’s work on the second Validation of Peru. Santiago Dondo introduced the case, noting the context, impact, challenges and opportunities for EITI implementation. The Board took note of the update on Peru in Board Paper 42-5 and welcomed the prospects of a Validation Committee recommendation for decision via circular.

**Actions:**
- The Chair to write to the Governments of Ethiopia, Ghana, Guinea, Malawi, Mauritania, Nigeria, Norway and Trinidad & Tobago announcing the Board’s decision.
- The Secretariat to publish the results of the Validations of Ethiopia, Ghana, Guinea, Malawi, Mauritania, Nigeria, Norway and Trinidad & Tobago, including the supporting documentation.
- The Validation Committee to submit recommendations on the Validations of Myanmar and Peru, following finalisation of its deliberations.

### 42-6 Report from the Implementation Committee

**Board paper 42-6 Proposed clarifications and changes to the EITI Requirements**

Ana Carolina González Espinosa noted that there had been a productive discussion within the Implementation Committee, with consensus agreed on most of the proposals. It had not been able to come to consensus on proposals 1 on gender, 4 on contract transparency, 7 on commodity trading and 10 on environmental reporting. She invited Ines Schjolberg Marques from the International Secretariat to provide an overview of the thirteen proposals. The Chair suggested that the Board would discuss the proposals where there were outstanding issues that the Board would need to decide on (contracts, environment, gender and commodity trading), before commenting on the remaining proposals.

**Proposal 4: Contract transparency**

The IC suggested the Board consider the following options:

- **a)** Requiring contracts to be made public with deadline for implementation (31 December 2019 / 31 December 2020).
- **b)** Requiring contracts signed after a deadline (31 December 2019) to be made public.
- **c)** Moving towards an expectation that contracts should be made public.
- **d)** No change to Requirement 2.4.a ahead of the Global Conference.

Stuart Brooks stated that the industry constituency recognised that the disclosure of contracts was the new direction of travel. His constituency therefore unanimously supported option c. The constituency
also suggested a pilot project, similar to that conducted in 2015 on beneficial ownership. Mark Pearson noted that the supporting countries constituency supported option c and agreed that different tools should help countries implement this expectation.

Daniel Kaufmann referred to progressive statements on contract transparency made by many companies and other organisations’ endorsements, such as the IMF. He stated that the civil society constituency strongly supported option a. He recognised that there could be some flexibility around the timeline for implementation where needed. Brice Mackosso agreed, using the example of the Republic of Congo to argue that implementing countries would not struggle to implement such disclosures.

Zainab Ahmed noted that some implementing countries faced practical and legal constraints, warranting flexibility by the EITI Standard. She expressed support for option c. Solange Agnès Ondigui Owona acknowledged that not all implementing countries faced the same challenges with regards to contract disclosures. She expressed support for option b with a deadline for the disclosure of contracts signed, entering into force or amended after 31 December 2020.

Several civil society Board members made strong statements in support of option a, citing that a minority of countries were facing challenges with disclosing contracts and referring to a long list of major international organisations and companies, such as the IMF, the World Bank, Total and Shell, that had endorsed contract transparency.

The Chair noted that further discussions would be needed to reach a conclusion, but that remaining differences were not unsurmountable. A working group agreed a set of proposals set out in Annex C. This wording was agreed by the Board.

**Proposal 10: Environmental reporting**

The IC suggested that the Board consider the following proposals:

- **a) Revising Requirement 6.1 to cover environmental expenditures.**
- **b) Encouraging disclosures of contextual information related to environmental monitoring.**
- **c) Encouraging links to existing disclosures on climate risks.**
- **d) No changes to the EITI Requirements, scaling up guidance and support.**

Stuart Brooks expressed support for proposal a with minor changes in language to accommodate concerns by the mining industry constituency and clarify that the requirement would cover only payments to governments. He noted that the industry constituency did not support the other proposals, noting that it was unclear whether such disclosures fit into the EITI’s wider mandate. Several Board members from industry and the supporting country sub-constituency noted the risk of duplicating efforts by other initiatives and the need for more preliminary work before introducing new provisions outlined in proposals b and c. Sasja Beslik argued that more work should be done on what data the EITI could actually provide to understand the opportunities and risks around investments linked to the environment.

Ana Carolina González Espinosa, Cielo Magno and Daniel Kaufmann expressed support for all the proposals, noting that much of the information was already available and was of particular interest to local communities. Ana Carolina González Espinosa reminded the Board that 28 EITI implementing countries were already reporting some environmental information in EITI reporting. Attention was
brought to the letter signed by over 100 civil society organisations in Latin America and the Caribbean asking for environmental transparency to be included in the EITI.

Solange Agnès Onigui Owona expressed support for proposals a and b. She underlined the importance of such disclosures for countries that suffered from the environmental impact of the industry. Geneviève Van Rossum supported combining proposals a and b, and noted that further work and guidance should be developed before agreeing proposal c. Zainab Ahmed supported proposal a, and said that the EITI should reach out to other groups that had more capacity and expertise to report on the issues outlined in proposal b and c.

To summarise, the Chair said that there seemed to be consensus around proposal a. On proposals b and c he noted there was a need to more clearly define the proposed language. A working group agreed a set of proposals set out in Annex C. This wording was agreed by the Board.

Proposal 1: Gender

The IC suggested that the Board consider the following proposals:

- Encouraging MSGs to consider gender balance in representation;
- Requiring/Encouraging the disclosure of employment figures by project, role and gender;
- Encouraging gender considerations in the dissemination of EITI data.

Ines Marques Schjolberg from the International Secretariat clarified that the term “should” indicated a requirement, not an expectation.

Alan McLean noted that the proposals fell short of addressing issues around gender representation in a meaningful way and were a missed opportunity to address other aspects of diversity. Erik Nürnberg highlighted the importance of setting expectations related to gender around the MSG’s plans and activities.

Cielo Magno noted that several EITI countries already disaggregated employment data by gender, based on reporting from statistics offices or companies. Ana Carolina González Espinosa emphasised the importance of sending a strong message to all stakeholders about the importance of gender considerations in EITI implementation. James Ensor was supportive of introducing a requirement on gender disaggregated data but asked for more clarifications around the terms “project” and “role”. Daniel Kaufmann added that the proposals were modest and that there was no excuse not to include gender in the Standard.

Mark Pearson noted that the supporting countries constituency agreed with the proposals overall but was spilt over whether the proposed changes should be required or encouraged. Geneviève Van Rossum strongly supported all proposals.

Solange Agnès Onigui Owona supported the proposals.

Sam Bartlett from the International Secretariat noted that the terms “if available” had been included in the 2016 EITI Standard to clarify that it was a requirement to disclose data only when the information was available. When the information was not available, the MSG would have to document the challenges in
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obtaining the information and plans to overcome these.

A working group agreed a set of proposals set out in Annex C. This wording was agreed by the Board.

Proposal 7: commodity trading transparency

Dominic Emery presented and commended the work done by the commodity trading working group since 2015. He explained that the working group had reached consensus around a proposal to modify Requirement 4.2.a on the scope of the requirement and encouraged provisions under 4.2.c and d. However, the working group was suggesting that it take more time to achieve consensus around the required level of disaggregation. The final proposal would then be shared with the Implementation Committee for review and by circular for board approval by non-objection. Daniel Kaufmann strongly supported the suggestion. Moses Kulaba suggested to provide more clarity on the terms used, such as “cargo-by-cargo” versus “sale-by-sale”.

Brice Mackosso explained that the latest EITI reporting in the Republic of Congo included highly disaggregated data about the state’s share of oil and agreed that the proposed changes were useful. Solange Agnès Ondigui Owona highlighted the strong position within the implementing countries constituency that requirements that applied to state-owned enterprises (SOEs) should also apply to private companies. Erik Nürnberg echoed the basic concern that SOEs should not be discriminated against compared to International Oil Companies. However, he requested that the Secretariat confirm his understanding that Requirement 4.2 in the 2016 Standard and in the proposed amendments did not cover trading in equity production. He proposed that the risk of discrimination of SOE against their competitors be considered in any possible future discussions on expanding commodity trading transparency in the Standard to also cover equity production. Bady Baldé from the International Secretariat explained that the proposed changes to Requirement 4.9 sought to help address the burden by expecting private companies to disclose their audited financial statements. He added that the intent behind Requirement 4.2 when it was agreed in 2013 had been to address the role of SOEs as fiscal agents.

Daniel Kaufmann noted that SOEs were well represented with the commodity trading working group and that it would be complex to disclose data about all the sales beyond the first sale of the state’s share of production. The Secretariat added that implementing countries representatives would be invited to join the next meeting of the commodity trading working group.

Ruslan Baimishev stated that once the proposals were agreed, it would be important to clearly communicate the differences between the encouraged and required provisions, and that the Board would agree transitional arrangements to help countries implement the proposed changes.

The Board approved the suggestion that the working group submit a final proposal to the Board in the coming weeks through Board circular.

Other proposals

Ana Carolina suggested that, ahead of the Global Conference, guidance for implementing countries could be developed around how to apply a gender lens throughout the Standard and how EITI implementation could contribute to disclosures on climate change and the energy transition.

Solange Agnès Ondigui Owona asked whether it would be possible to require multinational companies to disclose their payments to government at the international level in the same format as EITI disclosures at
the national level. The Secretariat clarified that there could be some overlap between the types of disclosures and that the alignment of definitions of project could help improve consistency between mandatory reporting and EITI reporting at the national level.

Several Board members inquired about the practical implications of the introduction of the “outstanding progress” category. Sam Bartlett noted that this new category would allow for countries to design the EITI process in a way that is most relevant, adding that the methodology for assessment would be laid out in an updated Validation Guide. Further work by the Validation Committee in developing the details of this proposal was welcomed.

Chris Davy asked how the agreed changes reflected the decision to move towards systematic disclosures. Marte Briseid insisted that MSGs should be further encouraged to undertake more analysis of EITI data. Sam Bartlett said that the proposed changes to Requirement 4 aimed at providing more flexibility for countries to strengthen systematic disclosures. Ana Carolina argued that it was important to allow countries to explore innovative approaches to the EITI process, such as the work done in the Philippines on environmental reporting or in Mongolia on the artisanal and small-scale mining sector.

Chris Murgatroyd inquired regarding how implementing countries with tax confidentiality provisions would be required to address these in the move toward systematic disclosures. Sam explained that the expectation on systematic disclosures was not a requirement, and that many countries would rely on EITI reporting for some time still.

Daniel Kaufmann raised the need to acknowledge innovative reporting on climate change and energy transition, which was not captured in the EITI Standard. He suggested that the incoming Board consider discussing this as part of a review of the EITI Principles. He added that anti-corruption in the extractive sector was a second key issue that the Board should consider. Stuart Brooks noted that the industry constituency’s reluctance to include climate change and the energy transition into the Standard was due to concerns around whether they should be part of the EITI’s mandate.

The Board approved the proposed changes as outlined in Board Paper 42-6 under proposals 2, 3, 4, 5, 6, 8, 9, 11, 12 and 13 and as presented by the Chair (Annex C). The Chair commended the Board for reaching an agreement on the proposed changes.

**Actions:**
The working group on commodity trading to reach a consensus on final changes to Requirement 4.2.
The Implementation Committee to consider and agree the final edited version of the revised Standard.
The Board to approve the final edited version of the revised Standard via Board Circular.

**42-7 Report from the Governance and Oversight Committee**

*Board paper 42-7 Proposed amendments to the EITI Articles of Association*

Oleksiy Orlovsky presented Board Paper 42-6-A, listing the suggested changes to the EITI Articles of Association. He noted that the Governance and Oversight Committee had, in addition, suggested removing ‘either Candidate Country or Compliant Countries’ in Article 5.2 2)i)ja) in accordance with similar
proposal for Article 5.2(a))a).

Jim Miller suggested adding commodity traders as a sub-constituency of companies to Article 5.2 2(ii), noting that the proposal was agreed by the company constituency.

Dominic Emery raised concern on gathering half of the Members to have quorum. Fredrik Reinfeldt pointed at challenges on quorum and multiple proxies at the previous Members Meeting. He urged the Board to ensure that reasonable amount of EITI members from all constituencies are registered and attend the EITI Members Meeting. Eddie Rich added that the International Secretariat would soon invite registration of members of the Association in time for that meeting. Zainab Ahmed commented that one constituency should not outnumber others, particularly when it comes to vote. Eddie clarified that the voting rights are equal between constituencies, regardless of the number of representatives.

Erik Nürnberg suggested changing language in Articles 17.1, replacing ‘EITI Members’ with ‘contributors’, taking into consideration that membership is personal, not organisational.

On other Governance Committee issues, Oleksiy congratulated all constituencies and sub-constituencies for finalising their guidelines. The Committee will follow up with all constituencies to ensure that the nomination process is completed in time for the EITI Members’ Meeting on 17 June.

Oleksiy informed that the supporting countries constituency was preparing a paper on financial contributions, noting that it should not dilute from the previously agreed recommendation of USD 250k.

The Governance and Oversight Committee had established a technical working group on raising concerns. It had reviewed the current arrangements with support from MSI Integrity and was now working on a visualisation tool to help those with concerns to understand the process.

Oleksiy informed that the next performance self-assessment of the Board members was scheduled for the first half of 2019. The Committee would send out a questionnaire and results would be ready for the Paris Conference.

The Board induction programme would be reviewed with a view to have a special induction session for the new Board.

**Actions:**
By end of March GOC/Secretariat to share the self-assessment and finish before end of April.

42-8 Report from the Finance Committee

*Board Paper 42-8 2018 Annual Accounts*

Moses Kulaba presented Board Paper 42-8 to the Board, thanking the Committee members and the International Secretariat for their work.

Regarding the annual accounts for 2018, Moses reported a positive outturn, ending the year with a surplus of USD 1.2m. He noted that that financial situation gave the Secretariat flexibility to recruit new staff in order to deliver on the objectives in the 2019 work plan. He welcomed the Secretariat’s decision
Dominic added that the Board’s decision in the 2016 funding review to require supporters to contribute to the International Secretariat had increased predictability and financial sustainability. He noted that only one company had been removed from the EITI website for not meeting the minimum funding requirement in 2018. The increasing number of multi-year agreements added to the positive development. He added that the contributions from financial institutions (investors and banks) remained low.

Mark explained the background and reasoning behind the new five-year office lease. He said the existing premises were to be renovated and they were also too small to accommodate a growing team. He added that the new space was modern, centrally located and competitively priced.

The Board agreed to approve the 2018 Annual Accounts by the EITI as presented by the Finance Committee.

**Actions:**
The Secretariat to publish the 2018 Annual Accounts (in USD).

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**42-9 Report from the Audit Committee**

*Board Paper 42-9 Report from the Audit Committee*

The Chair invited Cielo Magno to introduce the paper.

Cielo reported on the work performed by the Audit Committee. The Committee was satisfied that the auditors had had full access to information, that there had been no limitations to the scope, and that they were of the opinion that the accounts had been presented in a full and true manner. The Committee was on this basis recommending to the Board that it accept the EITI 2018 accounts.

The Board agreed to approve the 2018 Audited Accounts by the EITI as presented by the Audit Committee.

**Actions:**
The Secretariat to publish the 2018 Audited Accounts (in NOK).

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**42-10 EITI Global Conference**

*Board Paper 42-10 Preparations to the 2019 Global Conference*

The Chair invited Mark to provide an update on the Global Conference.

Mark invited the Board members to comment on Board paper 42-10 with a particular focus on the draft conference programme and the public call for expressions of interest for organising side events. He reminded them of the consultations that were being had with the members of the conference working group, as well as the wider group of stakeholders.

As had been agreed in Dakar, the conference would focus on key extractives sector issues with an aim to
assist governments to transition to more systematic disclosures, doubling down on beneficial ownership disclosures and maximizing use of data. In keeping the momentum of the EITI and demonstrating its relevance to implementing countries, other areas such as domestic resource mobilisation and anti-corruption were also highlighted in the suggested programme. Mark noted the interest of the host government in discussing inequality, gender and inclusion at the conference as well. He noted that the conference team is considering how best to reflect gender in the parallel sessions and side events, including three sessions on social and environmental impact, data and artisanal mining. He reported to the Board that the Secretariat was currently working on the session outlines, in consultation with the host government.

Mark reminded the Board members that the conference was due to take place on 18-19 June, with the pre-conference day taking place on 17 June. The pre-conference day would include the Members meeting, the Board and several side meetings with EITI partners.

In providing a platform for partners’ side meetings at the conference, Mark emphasised the Secretariat’s efforts to coordinate the organisation and timing of the meetings to ensure their complementarity with the conference programme. He reminded the Board of the EITI’s ‘no-male-only panels’ policy in organising sessions at the conference.

Mark asked Shem in her capacity of the Conference Manager to brief the Board on the ongoing preparations ahead of the conference. In her brief remarks, Shem provided additional updates to the Board paper 42-10, welcoming the support of the Board members in reaching out to the session speakers to ensure the right representation of stakeholders at the conference. She emphasised the importance of support from the Board in raising the remaining funds for the Global Conference that was expected to cost around USD 1.5 million.

**Actions:**
International Secretariat to raise the funds, finalise the programme, establish registration and develop the sessions.

### 42-11 Any other business

There were no other business and the meeting closed.
Annex A – Board decision on Argentina’s application

The EITI admitted Argentina as an EITI implementing country on 27 February 2019. In accordance with the EITI Standard, Argentina is required to publish its first EITI Report within 18 months of becoming a candidate (i.e., 27 August 2020). Argentina is required to publish an annual progress report for 2019 by 1 July 2020. Validation will commence on date of Board decision on 27 August 2021.

The EITI approved Argentina’s request for adapted implementation in accordance with the two-phase approach set out in the candidature application. Argentina’s first Validation will take this approach into account. As proposed, the multi-stakeholder group should document the effectiveness of this approach through the first and second EITI reporting cycles. The MSG should then agree a proposal for the subsequent reporting periods for consideration by the EITI Board.

Annex B – Board decisions related to Validation

Board decision on criteria to consider developments and information disclosed after the commencement of Validation

The Board decided that it will exercise its discretion to consider developments and information disclosed after the commencement of Validation where the following four criteria are met:

- Multi-stakeholder group support: The proposal to consider developments and information disclosed after the commencement of Validation has the support of the multi-stakeholder group.
- Specific and verifiable: The information is specific, detailed, substantiated and clearly sourced, and can be quickly and independently verified. Non-specific information, including on planned actions, will not be considered.
- Material significance: The information has the potential to materially impact the assessment of individual requirements and/or render the proposed corrective actions redundant.
- Timely: The proposal to consider developments and information disclosed after the commencement of Validation is presented to the Validation Committee within a reasonable timeframe, allowing sufficient time for verification and discussion. The Validation Committee and Board will not consider representations made a short notice prior to Board decisions.

The Validation Committee will review the application of these criteria after six months and make a recommendation to the Board if necessary regarding further refinement of the criteria.

Board decision on the second Validation of Ghana

The EITI Board agreed that Ghana has partly addressed the corrective actions from the country’s first Validation. Consequently, Ghana has made meaningful progress overall with implementing the EITI Standard, with considerable improvements across several individual requirements.

The Board recognised Ghana’s efforts to use the EITI to improve transparency in the management of its
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Oil and gas state-owned enterprises, including their trading of the state’s in-kind revenues. Ghana’s EITI implementation was also recognised as having increased collaboration among government agencies and improved the government’s public financial management systems. The second Validation confirmed Ghana’s efforts to use EITI reporting as a diagnostic instrument to support reforms in the management of extractives licenses, accounting of off-budget revenues and subnational revenue management.

The Board welcomed ongoing efforts to consider further the opportunities to improve government and company disclosures through systematic disclosures. Ghana was encouraged to continue to ensure adherence to the EITI Principles and Requirements while strengthening transparency in the operations of its state-owned enterprises.

The Board determined that Ghana will have 12 months, i.e. until 27 February 2020 before a third Validation to carry out corrective actions regarding comprehensiveness of disclosures (4.1), transactions related to state-owned enterprises (4.5) and quasi-fiscal expenditures (6.2). Failure to achieve meaningful progress with considerable improvements across several individual requirements in the third Validation will result in suspension in accordance with the EITI Standard. In accordance with the EITI Standard, Ghana’s MSG may request an extension of this timeframe, or request that Validation commences earlier than scheduled.

Board decision on the Validation of Guinea

Following the conclusion of Guinea’s Validation, the EITI Board decided that Guinea has made meaningful progress overall in implementing the EITI Standard.

The Board congratulated the Government of Guinea and the Multi-Stakeholder Group (MSG) on the progress made in improving transparency and accountability in the extractive industries. In the context of rapidly growing mining sector, the Board believes that Guinea EITI has the potential to play a key role in supporting sector reforms and informing the public debate on natural resource governance.

The Board congratulated stakeholders for strengthening the comprehensiveness and quality of EITI reporting, and enhancing transparency in licence allocation procedures, the licence register, and in the disclosures of state-owned enterprises. The Board also recognised Guinea’s efforts to go beyond the requirements of the EITI Standard in the disclosure of mining contracts through its contract transparency portal (www.contratsminiersguinee.org).

The Board encouraged Guinea EITI to ensure that improvements in MSG oversight over the EITI process are commensurate with improvements in EITI reporting. The Board encouraged Guinea EITI to deepen efforts in the disclosure of direct subnational payments, licence allocation, and quasi-fiscal expenditures by state-owned enterprises. It also encouraged stakeholders to strengthen the MSG’s follow-up on EITI recommendations and evaluation of outcomes and impact of EITI implementation.

The Board encouraged Guinea EITI to shift the focus from overseeing the preparation of EITI Reports to supporting changes to enable systematic and regular disclosure of EITI data through government systems; and to support the implementation of the new Local Economic Development Fund (FODEL).

The Board determined that Guinea will have 18 months, i.e. until 27 August 2020 before a second Validation to carry out corrective actions regarding the requirements relating to industry engagement (1.2), MSG governance (1.4), license allocation (2.2), infrastructure agreements (4.3), direct
Board decision on the Validation of Malawi

Following the conclusion of Malawi’s Validation of 2018, the EITI Board concluded that Malawi has made meaningful progress overall in implementing the EITI Standard.

The Board commended the Government of Malawi and the multi-stakeholder group for their efforts to enhance transparency in the management of its extractive industries and encourages continued progress. Despite the modest size of its extractive industries, Malawi has successfully established a platform for multi-stakeholder dialogue on extractives governance to drive improvements in transparency and accountability. The Board recognised that consistent follow-up on recommendations from EITI reporting, together with the Ministry of Finance’s hosting of Malawi EITI (MWEITI), have helped drive concrete reforms. Advances in fiscal and contract transparency, as well as the launch of an online license cadastre and publication of extractives contracts, have helped create the basis for governing the sector in an inclusive and equitable manner. In taking this decision, the Board welcomed Malawi’s efforts to go beyond the requirements of the EITI Standard in disclosing extractives production data, providing an effective diagnostic of inconsistencies across various sources. The Board encouraged the government to continue work on systematic disclosures of EITI data and efforts to ensure beneficial ownership transparency as a means of strengthening effective government oversight of the extractive industries.

The Board nonetheless encouraged additional efforts to ensure that published extractives information is complete and reliable in order to further build trust and accountability. Malawi is encouraged to ensure that transparency in revenue flows in its developing petroleum sector as well as companies’ social expenditures is commensurate with the clarity achieved in mining. While noting that financial sustainability remains a significant challenge, the EITI Board commended the government’s existing support for MWEITI and encourages further institutionalisation of its support for this platform for multi-stakeholder dialogue and governance. These improvements could help support the translation of transparency into greater accountability in the management of the extractive industries and help support their development into a key driver of economic growth over the medium term.

The Board determined that Malawi will have 18 months, i.e. until 27 August 2020 to carry out corrective actions regarding requirements relating to industry engagement (1.2), work plan (1.5), license register (2.3), data comprehensiveness (4.1) and quality (4.9), distribution of revenues (5.1), mandatory social expenditures (6.1) and outcomes and impact of implementation (7.4), expenditures (6.2) and economic contribution (6.3). Failure to achieve meaningful progress with considerable improvements across several subnational payments (4.6), quasi-fiscal expenditures (6.2), follow up on recommendations (7.3), and documenting outcomes and impact of implementation (7.4).
individual requirements in the second Validation will result in suspension in accordance with the EITI Standard. In accordance with the EITI Standard, Malawi may request an extension of this timeframe, or request that Validation commences earlier than scheduled.

The Board’s decision followed a Validation that commenced on 1 September 2018. In accordance with the 2016 EITI Standard, an initial assessment was undertaken by the International Secretariat. The findings were reviewed by an Independent Validator, who submitted a draft Validation report to the multi-stakeholder group for comment. The multi-stakeholder group’s comments on the report were taken into consideration by the Independent Validator in finalising the report, who also responded to the multi-stakeholder group’s comments. The final decision was taken by the EITI Board.

**Board decision on the second Validation of Mauritania**

The EITI Board agreed that Mauritania has partly addressed the corrective actions from the country’s first Validation. Consequently, Mauritania has made meaningful progress overall in implementing the EITI Standard, with considerable improvements across individual requirements.

The Board recognised Mauritania’s efforts to use EITI reporting as a diagnostic to drive reforms in the management of extractives licenses and state participation in the mining sector. Validation found that gradual improvements in the Multi-Stakeholder Group’s cohesion and oversight have ensured more effective oversight of EITI implementation by all three constituencies. The Board encouraged stakeholders to continue enhancing the dynamism of its dissemination, outreach and assessment of impact.

The Board welcomed ongoing efforts to ensure systematic disclosure of EITI data. The Board took note of these developments and looks forward to working together with Mauritanian stakeholders on these issues.

The Board determined that Mauritania will have 12 months, i.e. until 27 February 2020 before a third Validation to carry out corrective actions regarding license allocations (2.2), license register(s) (2.3) and review of outcomes and impact of implementation (7.4). Failure to achieve satisfactory progress across these individual requirements in the third Validation will result in suspension in accordance with the EITI Standard. In accordance with the EITI Standard, the MSG may request an extension of this timeframe, or request that Validation commences earlier than scheduled.

**Board decision on the second Validation of Nigeria**

The EITI Board agrees that Nigeria has fully addressed the corrective actions from the country’s first Validation. Consequently, Nigeria has made satisfactory progress overall with implementing the EITI Standard.

The Board commends Nigeria’s efforts to use the EITI as a key multi-stakeholder consultation platform to proactively drive the natural resource governance debate and as a tool for reforms in government and extractives company systems. The second Validation has confirmed Nigeria’s efforts to use the EITI as a crucial diagnostic of oil and gas industry oversight to support reforms of state participation, license management and off-budget revenues. While discrepancies between rules and practice in the governance of the extractive industries persist, the Board considered that the latest EITI disclosures adequately reflected practical challenges in the mining, oil and gas sectors.
The Board welcomes ongoing efforts to consider opportunities to improve systematic government and company disclosures of data required under the EITI Standard. The Board takes note of these developments and looks forward to working together with Nigerian stakeholders on these issues.

Nigeria should continue to ensure adherence to the EITI Principles and Requirements while strengthening transparency in the operations of its state-owned enterprises. Where concerns are raised about whether implementation of the EITI has fallen below the required standard, the EITI Board reserves the right to require the country to undergo a new Validation. In accordance with Requirement 8.3.b, stakeholders may petition the EITI Board if they consider that Nigeria’s status should be reviewed. Otherwise, in accordance with Requirement 8.3.d.i, Nigeria will be revalidated in three years, with the next Validation commencing on 27 February 2022.

**Board decision on the Validation of Ethiopia**

Following the conclusion of Ethiopia’s Validation, the EITI Board decided that Ethiopia has made meaningful progress overall in implementing the EITI Standard. In accordance with requirement 8.3c, Ethiopia will be requested to undertake corrective actions before the second Validation on 27 August 2020.

The Board congratulated the Government of Ethiopia and Multi-Stakeholder Group (MSG) on the progress made in improving transparency and accountability in the extractive industries. Ethiopia’s EITI implementation has targeted issues of national importance, such as artisanal and small-scale mining, social expenditures and mining licensing by different tiers of government. However, the focus on reconciliation, licensing and social expenditures has not been matched by an equivalent attention to detail in areas such as state participation or subnational transfers, despite public interest in such issues.

The strong country ownership on the part of the government has not been matched by an equivalent engagement from industry or civil society. The Board noted that, while trust has gradually been built amongst stakeholders directly involved in EITI implementation, divisions have emerged within civil society between those directly involved in EITI implementation and those outside.

Constraints on civil society operation in Ethiopia have weakened civil society engagement in EITI implementation. The Board took note of the Validator’s findings regarding requirement 1.3 on civil society engagement and adherence to the civil society protocol. The Board agreed that in the period between March 2014 - April 2018 there were significant legal and administrative constraints that impacted the ability of civil society organisations to operate and express themselves freely. The Board agreed to consider developments subsequent to the commencement of Validation, noting the efforts by the country’s new leadership to improve the space for civil society. The Board welcomed the government efforts to repeal or amend laws that restricted civil society’s freedom of expression, operation and association.

The Board commended ongoing reforms to shift the mandate of government agencies from control and monitoring to supporting and enabling civil society to contribute in public debate. The Board called on the government and stakeholders to continue working together to improve civil society engagement in extractive sector governance. The Board has determined that Ethiopia will have 18 months, i.e. until 27 August 2020 before a second Validation to carry out corrective actions regarding the requirements relating to civil society engagement (1.3), MSG governance (1.4), license allocations (2.2), license register...
(2.3), policy on contract transparency (2.4), state-participation (2.6), export data (3.3), comprehensiveness (4.1), SOE transactions (4.5), direct subnational payments (4.6), data quality (4.9), subnational transfers (5.2), social expenditures (6.1), SOE quasi-fiscal expenditures (6.2), and documentation of outcomes and impact (#7.4), with the environment for and engagement of civil society and state participation being the main areas of concern. Failure to achieved meaningful progress with considerable improvements across several individual requirements in the second Validation will result in suspension in accordance with the EITI Standard. In accordance with the EITI Standard, Ethiopia’s MSG may request an extension of this timeframe, or request that Validation commences earlier than scheduled.

The Board’s decision followed a Validation that commenced on 1 April 2018. In accordance with the 2016 EITI Standard, an initial assessment was undertaken by the International Secretariat. The findings were reviewed by an Independent Validator, who submitted a draft Validation report to the MSG for comment. The MSG’s comments on the report were taken into consideration by the independent Validator in finalising the Validation report and the independent Validator responded to the MSG’s comments. In addition, the Board considered an update from the International Secretariat on the engagement of civil society following the commencement of Validation. The final decision was taken by the EITI Board.

**Board decision on the second Validation of Norway**

The EITI Board agreed that Norway has fulfilled the terms of the Board-approved request for adapted implementation and adhered to the Board-approved approach to mainstreamed implementation. Consequently, Norway has made satisfactory progress overall in implementing the EITI Standard.

The Board recognised Norway’s efforts to routinely disclose data on the petroleum sector through the online portal www.norskpetroleum.no and to engage with stakeholders through public debate, hearings and consultations. Norway has moved away from EITI-specific disclosures and governance processes by discontinuing the publication of EITI Reports and dissolving the MSG. Instead, transparency and inclusive governance are safeguarded through the laws, practices and institutions of an open democratic society, including through routine disclosures of information. The approach is not without limitations, given the variety of channels for civil society and industry input to public decision-making. Norway is encouraged to ensure that stakeholders have meaningful channels for participation in extractive sector governance and that information is not only available, but also accessible and usable.

Norway is encouraged to continue to ensure adherence to the EITI Principles and Requirements. Where concerns are raised about whether implementation of the EITI has fallen below the required standard, the EITI Board reserves the right to require the country to undergo a new Validation. In accordance with Requirement 8.3.b, stakeholders may petition the EITI Board if they consider that Norway’s status should be reviewed. Otherwise, in accordance with Requirement 8.3.d.i, Norway will be revalidated in three years, with the next Validation commencing on 27 February 2022.

**Board decision on the Validation of Trinidad and Tobago**

Following the conclusion of Trinidad and Tobago’s Validation of 2018, the EITI Board concluded that Trinidad and Tobago has made meaningful progress overall in implementing the EITI Standard.

The Board congratulated Trinidad and Tobago on its efforts to improve transparency and accountability in
the extractive industries by providing a trusted source of data to inform public debate. The Board welcomed the EITI’s impact in establishing a mechanism for discussing revenue transparency, including identifying gaps in government systems. Trinidad and Tobago’s EITI Reports have identified gaps in revenue collection, production and cost monitoring, cadastre information and other aspects of production-sharing contracts of significant public interest. The reports have made suggestions for improved governance and more efficient revenue collection from the extractive sector. Trinidad and Tobago has also shed light on issues such as environmental impact and has established a user-friendly online portal for communicating extractive industries data.

The Board nonetheless encouraged further efforts to strengthen the multi-stakeholder oversight of EITI implementation, with a view to ensuring robust follow-up on EITI recommendations to translate transparency into accountability. Trinidad and Tobago has the opportunity to strengthen oversight of mining license management, ensure the public accessibility of beneficial ownership data in the extractives and enhancing public trust in official production and export data. The Board encouraged Trinidad & Tobago to pursue its efforts towards systematic disclosures of EITI data to ensure timelier, cost-effective, EITI reporting and the longer-term sustainability of implementation. Adequate resources for EITI implementation will be key, including seeking opportunities for increased capacity building for stakeholders especially civil society.

The Board determined that Trinidad and Tobago will have 18 months, i.e. until 27 August 2020, before a second Validation to carry out corrective actions related to MSG governance (1.4), license allocations (2.2), license register(s) (2.3), production data (3.2), export data (3.3), data comprehensiveness (4.1), sale of state’s in-kind revenues (4.2), transportation revenues (4.4) and data reliability (4.9).

Failure to achieve meaningful progress with considerable improvements across several individual requirements in the second Validation will result in suspension in accordance with the EITI Standard. In accordance with the EITI Standard, Trinidad and Tobago may request an extension of this timeframe, or request that Validation commences earlier than scheduled. The Board’s decision followed a Validation that commenced on 1 September 2018. In accordance with the 2016 EITI Standard, an initial assessment was undertaken by the International Secretariat. The findings were reviewed by an Independent Validator, who submitted a draft Validation report to the multi-stakeholder group for comment. The multi-stakeholder group’s comments on the report were taken into consideration by the Independent Validator in finalising the report, who also responded to the multi-stakeholder group’s comments. The final decision was taken by the EITI Board.

Annex C – Proposals on gender, contract transparency and environmental reporting considered by the Board on Thursday 28 February

Proposal 1: Gender

6.3 The contribution of the extractive sector to the economy.

Implementing countries must disclose, when available, information about the contribution of the extractive industries to the economy for the fiscal year covered by the EITI Report. It is required that this information includes:
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(...) d) Employment in the extractive industries in absolute terms and as a percentage of the total employment. The information should be disaggregated by gender and, when available, further disaggregated by company and occupational level.

7.4 c) As part of its annual review of progress with EITI implementation, the multi-stakeholder group is encouraged to document how it has taken gender considerations and inclusiveness into account.

Proposal 4: Contract transparency

2.4(a) Contracts

Implementing countries are required to disclose any contracts and licenses that are granted, entered into or amended from 1 January 2021. Implementing countries are encouraged to publicly disclose any contracts and licenses that provide the terms attached to the exploitation of oil, gas and minerals.

The multi-stakeholder group is expected to agree and publish a plan for disclosing contracts with a clear timeframe for implementation and addressing any barriers to comprehensive disclosure. This plan will be integrated into work plans from 2020 onwards.

Proposal 10: Environmental reporting

6.1 Social and environmental expenditures by extractive companies.

a) Where material social expenditures by companies are mandated by law or contract with the government that governs the extractive investment, implementing countries must disclose and, where possible, reconcile these transactions.

Where such benefits are provided in kind, it is required that implementing countries disclose the nature and the deemed value of the in-kind transaction. Where the beneficiary of the mandated social expenditure is a third party, i.e. not a government agency, it is required that the name and function of the beneficiary be disclosed. Where reconciliation is not feasible, countries should provide unilateral company and/or government disclosures of these transactions.

b) Where material payments by companies to the government related to the environment are mandated by law, regulation or contract that governs the extractive investment, such payments must be disclosed.

c) Where the multi-stakeholder group agrees that discretionary social and environmental expenditures and transfers are material, the multi-stakeholder group is encouraged to develop a reporting process with a view to achieving transparency commensurate with the disclosure of other payments and revenue streams to government entities. Where reconciliation of key transactions is not possible, e.g., where company payments are in kind or to a non-governmental third party, the multi-stakeholder group may wish to agree an approach for voluntary unilateral company and/or government disclosures.

6.3 Environmental impact and expenditures

Implementing countries are encouraged to disclose information on the management and monitoring of
the environmental impact of the extractive industries. This could include:

a) An overview of relevant legal provisions, administrative rules as well as actual practice related to environmental management and monitoring of extractive investments in the country. This could include information on environmental impact assessments, certification schemes, licences and rights granted to oil, gas and mining companies, as well as information on the roles and responsibilities of relevant government agencies in implementing the rules and regulations. It could further include information on any reforms that are planned or underway.

b) Information on regular environmental monitoring procedures, administrative and sanctioning processes of governments, as well as environmental liabilities, environmental rehabilitation and remediation programs.

Annex D – List of participants

(Board members not attending in grey)

Chair
Mr Fredrik REINFELDT

Countries

Implementing Countries

Ms Olga BIELKOVA, Member of Parliament, Ukraine
Alt: Mr Ruslan BAIMISHEV, Director of Subsoil Use Department Ministry for Investments and Development, Republic of Kazakhstan

Mr Montty GIRIANNA, President, EITI National Committee, Indonesia
Alt: Ms Maria Teresa S. HABITAN, Assistant Secretary, Department of Finance, Philippines

Ms Zainab AHMED, Ag. Minister of Finance, Nigeria
Alt: Mr José Fernandes ROSA CARDOSO, National Coordinator, São Tomé e Principe

Mr Didier Vincent Kokou AGBEMADON, National Coordinator, Togo
Alt: Ms Marième DIAWARA THIAW, Permanent Secretary/Coordinator, EITI Secretariat, Senegal

Ms Agnès Solange ONDIGUI OWONA, EITI National Coordinator, Cameroon
Alt: Ms Marie-Thérèse HOLENN AGNONG, National Coordinator, Democratic Republic of Congo

Mr Victor HART, Chair of TTEITI, Trinidad and Tobago
Alt: Ms Carolina HAYES ROJAS, Vice Minister of Mines, Colombia

Supporting Countries

Mr Mark PEARSON, Director General, Planning, Delivery and Results Branch, Natural Resources Canada
Alt: Mr Chris DAVY, Director of Policy Analysis and Public Diplomacy, Bureau of Energy Resources, U.S. State Department, USA

Mr Chris MURGATROYD, Deputy Head, Governance, Open Societies and Anti-Corruption Department, Economic Development Division, Department for International Development (DFID), UK
Alt: Ms Marte BRISEID, Senior Adviser, Oil for Development Section, Norwegian Agency for Development Cooperation (NORAD), Norway
Ms Geneviève Van ROSSUM, Special Representative for bioethics and corporate social responsibility, Ministry of Foreign Affairs, France
Alt: Mr Sören DENG, Head of Division, Energy, Infrastructure and Raw Materials, Federal Ministry for Economic Cooperation and Development, Germany

Civil Society Organisations
Mr Daniel KAUFMANN, President, Natural Resource Governance Institute (NRGI)
Alt: Ms Jana MORGAN, Director of Advocacy and Campaigns at ICAR - International Corporate Accountability Roundtable, USA
Mr Gubad IBADOGLU, Senior Researcher, Economic Research Center, Azerbaijan
Alt: Mr Oleksiy ORLOVSKY, International Renaissance Foundation, Ukraine
Ms Faith NWADISHI, Executive Director, Koyenum Immalah Foundation/National Coordinator Publish What You Pay, Nigeria
Alt: Mr Brice MACKOSSO, Commission Justice et Paix, Republic of Congo
Ms Ana Carolina GONZÁLEZ ESPINOSA, Universidad Externado de Colombia, Colombia
Alt: Mr César GAMBOA, Derecho, Ambiente y Recursos naturales, Perú
Ms Cielo MAGNO, Bantay Kita, Philippines
Alt: Mr Moses KULABA, Governance and Economic Policy Forum, Tanzania

Companies including Investors
Mr Stuart BROOKS, Manager, International Relations, Chevron
Alt: Ms Laura LOGAN, Corporate Issues Advisor, Public and Government Affairs, Exxon Mobil Corporation
Mr Dominic EMERY, Vice-President, Long-Term Planning, BP
Alt: Mr Alan McLEAN, Executive Vice President, Tax and Corporate Structure, Royal Dutch Shell
Ms Simone NIVEN, Group executive Corporate Relations, External Affairs, Rio Tinto
Alt: Mr Carlos ARANDA, Manager Technical Services, Southern Peru Copper Corporation
Mr Erik NÜRNBERG, Manager Legal, Equinor, Norway
Alt: Mr Stephen DOUGLAS, Senior Adviser to the President, Exploration & Production, Total SA

Mr Jim MILLER, Vice President, Environmental Affairs, Freeport-McMoRan, Copper&Gold Inc.
Alt: Mr James ENSOR, Executive Director, BHP Billiton Foundation

Mr Sasja BESLIK, Head of Group Sustainable Finance, Chief of Staff Office, Nordea Group, Sweden

Board Secretary
Mr Mark ROBINSON, Executive Director, EITI International Secretariat, Oslo

Observers
Mr Koen Van ACOLEYEN, Director a.i. Humanitarian Aid and Transition (D5), Federal Public Service of Foreign Affairs, Foreign Trade and Development Cooperation, Belgium
Ms Zhibek AKHMETOVA, EITI MSG member, President of the Association of Legal Entities “Civil Alliance of
the Mangystau Region”, Kazakhstan

Ms Laurence ARNOULD, Spécialiste de programme, Organisation internationale de la Francophonie, France

Mr Luke BALLENGY, Manager, International Council on Mining and Metals (ICMM), UK

Mr Danil BIKTURGANOV, EITI MSG member, President of the Public Foundation "Civil Expertise", Kazakhstan

Ms Rhona BIRCHALL, Extractives Governance Adviser, Department for International Development (DFID), UK

Mr Martín CASTRO, Secretary, Embassy of Argentina, Ukraine

Mr Merab CHALATASHVILI, Head of Mineral Resources Management Department, Georgia

Mr Clémence CONTENSOU, Editor Transparency in Extractive Industries and Open Government Mission of Democratic Governance, Ministry of Europe and Foreign Affairs, France

Ms María Luján CRESPO, EITI Champion, Secretary of Energy, Argentina

Mr Ousmane DEME, Operations Manager, World Bank, USA

Ms Tetyana DONCHENKO, Chairman, Coordination Council, Public Union "Poltava Community", Ukraine

Mr Aleksandar DRAGOJLOVIC, Adviser, German Development Agency (GIZ), Armenia

Mr Vitalii FYLENKO, Chairman, New Energy, Ukraine

Mr G. GANBAT, IT Consultant, Mongolia EITI Secretariat, Mongolia

Ms Olena GORDIIENKO, Adviser, GIZ, Ukraine

Ms Alexandra GUÁQUETA, External Affairs and Communities Global Practice Leader, Rio Tinto

Ms Lisa GÜNTHER, Policy Officer, Federal Ministry of Economic Affairs and Energy, Germany

Ms Lina HOLGUIN, Senior Policy Analyst, Natural Resources and Governance Division, Global Affairs, Canada

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