

Minutes

EITI International Secretariat

Oslo, 26 November 2018

Table of Contents

41-1 Welcome by the Chair and adoption of the agenda	3
41-2 Report from the Secretariat	3
Board paper 41-2-A Implementation Progress Report	3
Board paper 41-2-B Outreach Progress Report.....	4
41-3 Report from the World Bank.....	5
41-4 Report from the Implementation Committee	6
Board paper 41-4-A How EITI can improve its engagement with state-owned enterprises.....	6
Board paper 41-4-B Progress on EITI’s targeted efforts on commodity trading transparency.....	7
Board paper 41-4-C Options for clarifications to the EITI Requirements.....	8
41-5 Report from the Validation Committee	9
Board paper 41-5-A Validation of Afghanistan	9
Board Paper 41-5-B Validation of Ethiopia.....	10
Board Paper 41-5-C Validation of Nigeria	11
Board Paper 41-5-D Validation of Papua New Guinea	11
41-6 Report from the Governance and Oversight Committee	12
41-7 Report from the Finance Committee	12
Board Paper 41-8-2018 Q3 Accounts and full year forecast	12
Board paper 41-7-B Draft 2019 Work plan and budget	12
41-8 EITI Global Conference.....	13
41-9 Any other business	13
41-10 Report from the Nominations Committee and the Chair.....	14
Annex A – Board decisions on Validations.....	15
Board decision on Papua New Guinea	15
Annex B – List of participants	16
Countries	16
Implementing Countries	16
Supporting Countries	16
Civil Society Organisations	16
Companies including Investors.....	17

MINUTES OF THE 41ST EITI BOARD MEETING

41-1 Welcome by the Chair and adoption of the agenda

EITI Chair Fredrik Reinfeldt opened the meeting and thanked the Senegalese government for hosting the Board meeting. He invited the Senegalese EITI Chair, **Mankeur Ndiaye**, to welcome Board members and observers.

The Chair invited the French Corporate Social Responsibility Ambassador **Genevieve van Rossum** to announce that the Government of France would be hosting of the 2019 Global Conference in Paris. The Chair also invited Board member **Oleksiy Orlovsky** to announce that the next Board Meeting would take place in Kiev, Ukraine.

Apologies were noted from Olga Bielkova, Ruslan Baimishev, Zainab Ahmed and Victor Hart representing implementing countries constituency, Laura Logan, James Ensor, Carlos Aranda and Sajsa Beslik representing supporting companies and Ana Carolina González Espinosa representing civil society.

The Chair welcomed Carolina Rojas-Hayes Vice Minister of Mines, Colombia, to replace Carlos Cante on the Board. The Chair also informed that Jean-Francois Lassalle from Total would be stepping down as Board Member.

The Chair also welcomed **Mark Robinson** as the incoming Executive Director of the EITI and invited him to address the Board. He would begin on 26 November.

The Board agreed the agenda.

41-2 Report from the Secretariat

Eddie Rich informed the Board that the Secretariat had recently made several new recruitments including a Communications Director and a Validation Manager. He said the Secretariat was advertising for an Asia country officer. If all positions plus some interns were filled the number of permanent staff at the Secretariat would be 27 compared to 23 at the end of 2017.

Board paper 41-2-A Implementation Progress Report

Eddie introduced the Implementation Progress Report (Board paper 41-2-A) and reported that several countries were currently making efforts related to **systematic disclosure** including activities in their 2019 work plans. Eddie also mentioned the **progress on commodity trading transparency** in Albania, Ghana, Indonesia and Nigeria.

Eddie highlighted the thematic focus on **materiality and scope of reconciliation** in the report. This demonstrated that implementing countries often disclosed and reconciled a large number of small payments, and that the scope of reconciliation was in some cases excessive. Some countries were also facing challenges with procuring **Independent Administrators** to produce their EITI Reports, with

potential delays in EITI reporting as a consequence.

Eddie also mentioned the spotlight on **subnational transfers** which demonstrated how the EITI has had an impact at the local level and that it listed opportunities to improve the impact of EITI reporting in this area. On **beneficial ownership**, he highlighted the national ownership registers in Ghana, Ukraine and Zambia (and potentially Nigeria), with significant sector progress in Indonesia, Kazakhstan and Kyrgyzstan.

Eddie further noted that funding for implementation remained a challenge, with several countries not having secured funding for EITI implementation in 2019. The outcome of the ongoing EGPS mid-term review would be crucial for ensuring the sustainability of EITI implementation in 2019.

Lastly, Eddie highlighted that the Secretariat would focus more on how to **communicate impact**. He suggested that the Secretariat produced too many materials that did not reach their target audience, nor generate enough engagement.

Cielo Magno suggested to consider opportunities for mainstreaming disclosures of subnational transfers and payments at the local level. Daniel Kaufmann said that the timeliness of disclosures at the subnational level could be improved by drawing on mandatory company disclosures. Eddie said the Secretariat would consider this as part of the next steps from the impact review ahead of the Global Conference and support related to systematic disclosures.

Rosmarie Schlup welcomed the analysis of materiality thresholds and making EITI reporting more effective. Eddie noted that the Secretariat had engaged Anwar Ravat, an external consultant, to do a more detailed review of reconciliation and EITI reporting.

Board paper 41-2-B Outreach Progress Report

Eddie Rich introduced the **Outreach Progress Report** (Board paper 41-2-B).

He highlighted that in **Argentina**, the preliminary multi-stakeholder group had continued to meet as part of preparing a candidature application expected in early 2019.

Eddie also said that the Governments of **Ecuador** and **Lebanon** had agreed to conduct scoping and mainstreaming feasibility studies. Stakeholders in Ecuador were considering including EITI implementation as part of their first Open Government Partnership (OGP) national plan. Civil society organisations in both countries had started to organise their representation on the multi-stakeholder group.

Lastly, Eddie mentioned that **Australia** was conducting a study assessing how prepared they were to implement the 2016 EITI Standard through a mainstreamed approach. The study was expected to be completed in early 2019.

Stuart Brooks noted that Australia had committed to join the EITI in May 2016 and asked what was delaying a candidature application. Sam Bartlett responded that the government had clarified that this commitment was based on Australia's 2011 EITI pilot. The government had advised the MSG that they would be engaging a consultant to conduct a gap analysis based on the 2016 Standard. The International Secretariat had offered to support this work. The timetable for a candidature application was unclear, especially given elections in 2019.

Cesar Gamboa asked if there was sufficient **funding** for outreach efforts. Eddie said USD 100,000 was allocated for outreach. Eddie further noted that political will and engagement would be more important for outreach results than funding.

Stuart asked for an elaboration on the progress of **Angola** and **Equatorial Guinea**. Eddie said the Secretariat and the Chair had made several efforts to engage with Angola with limited success. Pablo informed the Board that Equatorial Guinea had indicated their intention to apply for membership, but that this had not been followed up on so far.

Faith Nwadishi asked for more information on consultations with the Governments of **Niger** and **South Africa**. She particularly expressed concern about the developments of civil space in Niger. Dylan Gélard informed the Board that Niger had begun a process to mobilise for the EITI process and that their progress was promising. Eddie said that the Secretariat had worked closely with OGP to engage with South Africa and that the Secretariat would continue to push for progress.

Moses Kulaba asked the Secretariat to elaborate on progress with engagement with **Kenya** and **Uganda**. Eddie said there was no substantial updates to report on engagement with the Kenyan government. Eddie also said the Ugandan cabinet had appeared to recently reject a proposal to become an implementing country. He said the Secretariat was working with the donor community in Uganda to explore opportunities for EITI engagement.

41-3 Report from the World Bank

The Chair invited Sheila Khama to introduce the paper from the World Bank. Sheila thanked the government of Senegal for hosting the Board Meeting, noting that Senegal had received support for EITI implementation through the World Bank's Extractives Global Programmatic Support Multi-Donor Trust Fund (EGPS TF). The World Bank was also providing a USD 29 million IDA credit to strengthen Senegal's institutional capacities to negotiate complex oil and gas projects.

Sheila noted that the EGPS TF has received funds of USD 33.7 million, and that a significant proportion of these funds had been dedicated to the EITI. The last call for proposals (round 6) was in May 2018, with the current EGPS phase coming to an end in 2020.

Sheila reported that the EGPS Steering Committee had met on Monday 29 October. The Committee reviewed a draft mid-term review of the EGPS TF. The Committee had discussed a wide range of issues, including earmarking, thematic work, gender issues, selection criteria for the allocation of funds, and the potential for a phase two of the programme post 2020. It was agreed to finalise the review in the coming weeks. There was in-principle agreement to extend the first phase of the EGPS for two years, and broad support for a second five-year phase.

Eddie noted that number of implementing countries were struggling with a lack of funding. He asked for clarity on the timeframe for new fundraising, and when the Bank might be in a position to commence a seventh round. Sheila noted that further work was needed to conclude the mid-term review and to confirm the extension of the EGPS. An update would be provided at the next EITI Board Meeting in Kiev.

Rosmarie Schlup noted that the Steering Committee had discussed the funding gap. Irrespective of whether the EGPS was extended or renewed, she noted that it was necessary to look beyond the EGPS as

a source of funding. Eddie cited the Implementation Progress Report, noting that Albania, Ghana, Kyrgyz Republic, Madagascar, Malawi, Mongolia, São Tomé and Príncipe, Tanzania, Trinidad and Tobago and Ukraine needed additional support. He encouraged supporting organisations to consider opportunities to support these countries.

Moses Kulaba asked for a clarification of the presentation of progress by countries receiving EGPS TF support. Sheila highlighted the slide correlating EGPS funding with progress in meeting the Standard.

Daniel Kaufmann asked about the EGPS funding allocated to supporting civil society organisations. Sheila noted that EGPS funding to implementing countries often included support for civil society engagement. In addition, the Bank was conducting a series of workshops focussed on building the capacity of civil society to engage in the EITI process. A request for expressions of interest would soon be issued to identify a partner to administer a programme of further support to civil society organisations.

41-4 Report from the Implementation Committee

The Chair invited co-Chair of the Implementation Committee **Teresa Habitan** to report on behalf of the Committee.

Board paper 41-4-A How EITI can improve its engagement with state-owned enterprises

Teresa Habitan reminded the Board that at the Board meeting in Manila last year, the Board agreed that the Secretariat should seek to engage further with state-owned enterprises (SOEs), including establishing a network of SOEs and experts and consult further on the opportunities for the EITI to improve SOE transparency. Board Paper 41-4-A presented the outcomes of these efforts to date, including the findings of a review of lessons learned from Validation related to SOE disclosures under the EITI Standard.

Teresa invited Ines Schjolberg Marques from the Secretariat to introduce the paper and annexes.

Ines said the paper consolidated efforts so far and highlighted some of the opportunities for improving SOE engagement. The overall picture was that while there are various transparency risks related to SOEs and guidelines seeking to address those, there were few that had the means of operationalising such guidelines. With 55 SOEs reporting as part of the EITI process, there were opportunities for the EITI to work together with SOEs through a more targeted approach to encourage improved disclosures. She said this could help address the challenges with implementation identified in Validation. The paper also suggested that EITI engages with SOEs from non-EITI member countries to advance SOE transparency on a global scale, and presented opportunities for clarifying the EITI Requirements related to SOEs.

Several Board members inquired about funding implications of the recommendations in the paper. Ines noted that the targeted support so far in countries such as the Democratic Republic of Congo had been undertaken with project-specific funding for SOE transparency, and that the extent of the efforts would rely on demand and available funds. Board members also highlighted that work with SOEs had to take into account the varying nature of SOEs and should be considered alongside EITI's efforts on commodity trading as reflected in Board paper 41-4-B. Carolina Rojas Hayes stressed the importance of considering the different contexts of SOEs, as some were already required to disclose information as part of national legislation or stock exchange requirements. Marte Briseid suggested that the efforts should also focus on

analysis of the information disclosed by SOEs.

Jim Miller asked that the Validation Committee would be involved when developing papers relating to Validation. The Chair also emphasised the importance of the whole Board to engage in this matter.

Actions:

The EITI to undertake a targeted effort for SOE transparency to work more closely with SOEs to improve disclosures of SOEs in EITI countries and beyond. The effort will be undertaken in close collaboration with key partners and depend on demand and funds available.

The Board to clarify Requirements 2.6, 4.5 and 6.2 based on the lessons learned from Validation.

Board paper 41-4-B Progress on EITI's targeted efforts on commodity trading transparency

Teresa Habitan said that the paper provided an update on the progress with the targeted efforts to date and highlighted some of the challenges identified in implementing Requirement 4.2. She said the paper also presented early results of the working group consultation on the application of the requirement. The paper recommended that the EITI would continue support systematic disclosure of sales data and clarify the language in Requirement 4.2.

Teresa invited Dominic Emery as a member of the commodity trading working group to provide an update on the targeted efforts on commodity trading transparency. Dominic outlined the guidance and reporting tools developed by the working group and how implementation so far had resulted in improved disclosures by implementing countries and state-owned enterprises. He said further efforts would be needed to incentivise systematic disclosures of sales data. He highlighted the discussion so far on how to clarify language on Requirement 4.2. He also encouraged more collaboration with experts to deepen knowledge of the complexity of commodity trading issues.

Teresa then called on Dennis Baidoo, Marketing Manager, and Linda Tamakloe, Investor Relations, from Ghana National Petroleum Corporation (GNPC). They shared a brief update on how the guidance had been implemented in practice at the country level. They explained how Ghana EITI had produced a specific commodity trading report, which had helped to show areas where disclosures could be improved.

Rosmarie highlighted that the results of the targeted efforts would be showcased in an event in Switzerland in March 2019. This would be an opportunity for EITI supporting companies to contribute to the agenda by disclosing information on their payments to EITI countries for purchasing oil, gas and minerals.

Actions:

The Board to continue supporting implementing countries and SOEs to systematically disclose information on the sale of the state's share of oil, gas and minerals, including new countries joining the effort.

Subject to available funding, the Board to continue supporting commodity trading transparency globally through outreach to governments, SOEs and commodity traders.

The Board to clarify Requirement 4.2 based on the findings from the targeted efforts and further consultation with the working group.

The Secretariat to review and present the outcomes of the targeted efforts in a publication and at a high-

level event in early 2019.

Board paper 41-4-C Options for clarifications to the EITI Requirements

Teresa Habitan explained that as the Global Conference is due to take place in mid-2019, the Implementation Committee was suggesting that the Board considered how to address some of the pending updates to the requirements where changes had already been agreed. The paper highlighted areas where the EITI Requirements could be improved and outlined options ranging from smaller edits to a rewrite of the Standard. She noted that while there was no consensus on a particular option, there was broad based support for:

- *Reflecting and clarifying precedents established in Board decisions (e.g., regarding project-level reporting and Requirement 8.3.c.i);*
- *Reflecting the Board's decision to put a greater emphasis on encouraging systematic disclosure;*
- *Clarifying requirements that had already been considered (including requirements 2.6, 4.2, 4.5 and 6.2), and*
- *Considering edits in further areas where implementation and Validation had demonstrated opportunities for improving the requirements and to encourage disclosures, based on emerging disclosure practices and innovative approaches in EITI countries.*

Cielo Magno welcomed the paper and encouraged the working group to look further into lessons learned from implementation of the requirements so far to ensure these were reflected in any changes to the Standard.

Stuart Brooks said that there appeared to be consensus among all constituencies that some change would be positive and reflect the EITI's evolving nature. He also emphasised that a final agreement on any changes to the EITI Requirements would depend on the detail, which would have to be worked out by a smaller group.

Daniel Kaufmann welcomed the idea of a working group and suggested that the Board did not pre-empt the discussion before there had been a review of the current implementation of the requirements. Rosmarie Schlup agreed and said that a revision of the Standard was a natural development and that the scope of the changes should reflect the decisions made by the Board over the last years. Jim Miller reminded that there would be a new Board and a new Chair in place in 2019 and that the Board should be cautious on introducing new requirements on emerging issues such as environmental change and human rights.

The Chair said that the Board was not being asked to endorse any changes in the current Board meeting. He emphasised that the proposal was for the Implementation Committee to consider a range of opportunities for strengthening the Standard and agree a paper for the next Board Meeting in February.

Solange Ondigui Owona said that implementing countries recognised the need for changes in the Standard to reflect clarifications already approved by the Board or those made necessary as a result of lessons learnt from Validations. She also reminded the Board of the importance of considering the long-term implications of changing the Standard: short-term consequences for work plans and budgets in

implementing countries, medium- and long-term consequences for the overall quality of implementation. Sam Bartlett drew the Board's attention to the timeline proposed in the paper and said that the Board could review proposals for amendments in Kiev and agree the final version by circular before the Paris Conference.

Actions:

The Implementation Committee to form a working group for revisions to the Standard and propose specific changes to the Standard at the next Board meeting.

41-5 Report from the Validation Committee

Mark Pearson introduced the Validation papers. The Board agreed to the Validation Committee's proposal to submit an updated Board Paper 41-5-D on the Validation of Papua New Guinea as a decision item.

Board paper 41-5-A Validation of Afghanistan

Mark Pearson presented the Validation Committee's recommendation that Afghanistan had made inadequate progress in implementing the 2016 EITI Standard and would be requested to undertake corrective actions before the second Validation, commencing after 18 months of the Board's decision. The Board was alerted to a recent letter from Acting Minister of Mines and Petroleum Nargis Nehan requesting a postponement of the Board's decision on the Validation of Afghanistan. Pablo Valverde introduced the case, noting the context, impact, challenges and opportunities for EITI implementation. Pablo also clarified that EITI implementation covered government revenues and thus only related to areas under the government's control.

While there was agreement regarding the assessment of progress on individual requirements, debate focused on the overall assessment of progress in meeting the EITI Standard and the consequences of suspension in the case of an overall assessment of "inadequate progress". Several Board members from the countries, industry and civil society constituency called for a postponement of the decision on the Validation of Afghanistan. There was concern over the potential consequences of suspension ahead of the Geneva Ministerial Conference on Afghanistan in November 2018. Other Board members disagreed and called for a decision on the Validation of Afghanistan. Some Board Members considered that the overall assessment of progress should be upgraded to "meaningful progress", exercising the Board's discretion under Requirement 8.3.a.ii to take into account non-technical factors in making an overall assessment of progress. They considered that, while the results initially indicated an overall assessment of "inadequate progress" in implementing the EITI Standard, the Board should take account of the challenging circumstances in Afghanistan, including state fragility and recent or ongoing political change. Other Board Members considered that this overall assessment would endanger the credibility of the assessment.

An ad hoc working group was asked to consider options. The group suggested a short period to consider new information cited in the letter from Acting Minister of Mines and Petroleum Nargis Nehan. The Board directed the International Secretariat to undertake additional data collection on the specific developments cited in Minister Nehan's letter. The Validation Committee would review the case at its next meeting on 5 December and make an updated recommendation to the Board. The Board agreed to this approach, on the understanding that there would only be a short delay in taking a decision by

circular, but no wider reopening of the assessment or further deferrals.

Actions:

The International Secretariat to undertake additional data collection regarding progress since the commencement of Afghanistan's Validation on the developments noted in Acting Minister of Mines and Petroleum Nargis Nehan's letter.

The Validation Committee to review the Secretariat's update on the Validation of Afghanistan at its next meeting on 5 December 2018 and make an updated recommendation to the Board.

Board Paper 41-5-B Validation of Ethiopia

Observers from Ethiopia recused themselves.

Mark presented an update on the Validation Committee's work on the Validation of Ethiopia, noting that paper 41-5-B was only for discussion. The Board was briefed on the findings of the draft Validation report, received subsequent to the finalisation of Board Papers, which had confirmed the initial assessment of progress on key requirements aside from an upgrade of the initial assessment of Requirement 2.1 from "meaningful progress" to "satisfactory progress" and a downgrade in the initial assessment of Requirement 2.2 from "satisfactory progress" to "meaningful progress". While the Validation Committee's recommendation was still subject to MSG comments and finalisation of the Validation report, the draft recommendation was that Ethiopia had made meaningful progress in implementing the 2016 EITI Standard. However, the assessment of "inadequate progress" on Requirement 1.3 related to civil society engagement would lead to suspension, in line with the Board's agreed interpretation of Requirement 8.3.c.i at its 40th meeting in Berlin.

Ines Schjolberg Marques introduced Ethiopia's Validation by highlighting the context, impact and opportunities for EITI implementation, while noting the challenges linked to the environment for civil society engagement. Ines noted that MSG comments were expected in November 2018 and emphasised that both the initial assessment and the draft Validation report had only taken account of developments up to the commencement of Validation, on 1 April 2018. However, the Board was alerted to ongoing reforms under the administration of Prime Minister Abiy Ahmed, appointed in April 2018, which were expected to ease constraints on civil society engagement.

Mark noted the positive preliminary findings in the Validation of Ethiopia, aside from the assessment of Requirement 1.3. The Board was reminded that the Validation Committee would continue its work and submit an updated recommendation to the Board for decision. Moses Kulaba called for such updates on ongoing Validations to be submitted to the Board for information, rather than for decision, to avoid confusion. Faith Nwadishi noted exciting recent reforms in Ethiopia since April 2018, highlighting the appointment of women to over half of Cabinet posts, and called for the EITI to monitor progress since the commencement of Validation.

Actions:

The Validation Committee to submit a recommendation on the Validation of Ethiopia, following receipt of the MSG comments and finalisation of the Validation report.

Board Paper 41-5-C Validation of Nigeria

Mark presented an update on the Validation Committee's work on the second Validation of Nigeria, noting that paper 41-5-C was only for discussion. While the Validation Committee's recommendation was still subject to MSG comments and finalisation of the assessment, the draft recommendation was that Nigeria had made meaningful progress overall in implementing the 2016 EITI Standard, with considerable improvements across individual requirements since the first Validation. Pablo introduced the second Validation of Nigeria, noting the significant impacts of EITI implementation and progress in addressing the 16 corrective actions set in the first Validation. Subject to the Board's consideration of new information disclosed subsequent to the commencement of the second Validation on 11 July 2018, the Board was alerted that the draft assessment considered that 14 of the 16 corrective actions had been fully addressed.

Noting the importance of Nigeria given the size of its population, the importance of its extractives sector and the impact of EITI implementation, Mark highlighted the significance of the second Validation in acknowledging progress since the first Validation. The Board was reminded that the Validation Committee would submit an updated recommendation to the Board on the second Validation of Nigeria, following receipt of MSG comments and finalisation of the assessment.

Actions:

The Validation Committee to submit a recommendation on the second Validation of Nigeria, following receipt of MSG comments and finalisation of the assessment.

Board Paper 41-5-D Validation of Papua New Guinea

Mark presented the Validation Committee's recommendation that Papua New Guinea had made meaningful progress in implementing the 2016 EITI Standard. In accordance with requirement 8.3.c, Papua New Guinea would be requested to undertake corrective actions before the second Validation commencing on 30 March 2020. Gay Ordenes introduced the Validation of Papua New Guinea, highlighting the country's EITI implementation as a success story. Despite a prolonged period of outreach ahead of Papua New Guinea's EITI candidature application, implementation was now driven and funded by the government with strong stakeholder engagement from all constituencies. Highlighting the context and impact of EITI implementation in Papua New Guinea, Gay noted both challenges and opportunities for further enhancing the impact of the EITI.

The Board agreed to the proposal in paper 41-5-D that Papua New 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 30 March 2020 as outlined in Annex A below.

Actions:

The Chair to write to the Government of Papua New Guinea announcing the Board's decision.

The Secretariat to publish the results of the Validation, including the supporting documentation.

41-6 Report from the Governance and Oversight Committee

Dirk-Jan provided an update on the Committee's work.

On the preparations for the Conference, Dirk-Jan stressed the need for constituencies and sub-constituencies to finalise and agree their **guidelines** to appoint members to the Association and nominate their representatives to the Board. He said that whilst the Board did not approve constituency guidelines, it would be important that the constituencies ensured compliance with the Articles of Association and with the recommendations to constituencies that had been previously agreed by the EITI Board.

On **addressing concerns**, Dirk-Jan informed that Board that the Governance and Oversight Committee had set up a working group and was being supported by MSI Integrity.

41-7 Report from the Finance Committee

Board Paper 41-8-2018 Q3 Accounts and full year forecast

Moses confirmed to the Board that the finances remained healthy and that, according to the accounts for January – September 2018, the outturn was positive with revenue at USD 5.8m and expenditure at USD 3.9m. With the Africa Beneficial Ownership Conference and the Board meeting in Dakar, eight Validation missions and three additional staff before the end of 2018, the end of year result was forecast to be USD 0.9m. Moses added that the result should further support the proposed spending in the 2019 work plan including the Global Conference in Paris.

He noted that USD 10,000 each in funding from the Governments of Togo and Guyana had been received after the close of the quarter. He welcomed the USD 250,000 grant that recently been agreed with the United States. Moses highlighted the importance of predictability of revenues and noted efforts to agree multi-year agreements with Canada, Denmark, the European Union and Germany.

Board paper 41-7-B Draft 2019 Work plan and budget

Eddie noted that the plan was the culmination of a long process, reflecting Committee recommendations, Board decisions, and a strategizing season including staff retreat and a partner retreat. He highlighted that by this time next year, the EITI would have a new Chair, a new Board, a new Executive Director, and be on the brink of the 2020 beneficial ownership requirement. The plan was therefore an opportunity to refresh the process as well as embed the successes.

Eddie explained that the largest single event would be the Global Conference. The proposed budget was USD 6m (same as in 2017 and 2018) plus USD 1.5m for the Conference (same as in Lima in 2016). In terms of revenue, Eddie highlighted that USD 2.0m had already been secured for 2019, but that there would need to be an additional big push for the Conference. In terms of expenditure, the EITI would have more staff than 2018 which is the main cost. However, the next biggest cost, Validation, would be significantly down with only three scheduled first Validations and 14 second Validations.

Faith asked about plans to consider gender in implementation, how success of the plan would be

measured and whether enough was being done to support civil society.

On gender, Ines responded that the Secretariat was discussing with partners such as Publish What You Pay, NRG1 and others to ensure that EITI's efforts on gender would draw from existing expertise and efforts to use transparency to improve gender equality and participation in the extractive sector. The work undertaken to date on gender and further areas where EITI could contribute would be shared with implementing countries and showcased at the upcoming Global Conference.

On measuring success, Eddie brought the Board's attention to the Key Performance Indicators that had been approved earlier in the year. He added that Faith's point was not just about numbers but also about demonstrating impact and telling the story. He referred to his remarks the previous day on shifting EITI's communication strategy more in this direction and focusing on using the Conference to do more of this.

On civil society, he noted that whilst we were not on the ground to provide capacity building to civil society in country, the EITI had, with support from the EBRD, conducted five workshops on beneficial ownership for civil society in Central Asian countries. With specific funding, the Secretariat would be able to provide more such support.

Actions:

The Secretariat to propose an amended draft work plan to the Board for final approval.

41-8 EITI Global Conference

Eddie Rich informed the Board that the Secretariat had received an official letter from the Government of France stating they would host the 2019 Global Conference in Paris. Now that the EITI had a host, the next steps would be to:

- Establish an agreed date and venue;
- Fundraise;
- Agree on themes and programme; and
- Invite stakeholders to join a working group on the Conference.

Actions:

The Secretariat to establish a working group to consider themes and programme of the Conference.

41-9 Any other business

The Chair informed the Board that the EITI Opening Up Ownership: Africa Conference would commence after the Board meeting ended. The Conference would welcome three Heads of States and over 250 participants.

Faith Nwadishi said the newly published EITI in Africa brief would have benefitted from inclusion of stories on civil society progress and efforts in Africa.

41-10 Report from the Nominations Committee and the Chair

During this closed session, Alan McLean briefed the Board on behalf of the Nominations Committee on the process of finding a new Chair. A number of candidates had been invited to express their interest as well as many who applied following widespread adverts. Alan and Oleksiy had met with two of the candidates and were seeking meetings for them with the Committee in late November/early December.

41st Board meeting ended.

Annex A – Board decisions on Validations

Board decision on Papua New Guinea

Following the conclusion of Papua New Guinea's Validation, the EITI Board decides that Papua New Guinea has made meaningful progress overall in implementing the EITI Standard.

The Board commends Papua New Guinea's efforts to move from reports to reforms by ensuring, through high-level government directives, swift follow-up on PNG EITI recommendations. The Board encourages Papua New Guinea to sustain progress on key reforms, including systematic disclosures of license information through the digitization of the petroleum register, and to strengthen follow-up on recommendations related to improving accountability in the management of trust accounts holding resource revenues, in the oversight of subnational payments, and in the governance of state-owned enterprises.

The Board recognises the MSG's satisfactory progress in ensuring appropriate multi-stakeholder oversight of EITI implementation and aligning objectives for EITI with national priorities. It also lauds the country's efforts to produce timelier EITI data and to actively disseminate the findings of EITI Reports to influence public debate. The Board welcomes the government's commitment to strengthen government systems by using the EITI process as a diagnostic tool to support reforms. As part of improvements of such systems, the Board encourages Papua New Guinea to pursue efforts to systematically disclose data required by the EITI Standard as part of routine government and company disclosure systems.

*The Board has determined that Papua New Guinea will have 18 months, i.e. until **30 April 2020** before a second Validation to carry out corrective actions regarding the requirements relating to License allocations (#2.2), License register (#2.3), State participation (#2.6), Production data (#3.2), Export data (#3.3), Comprehensiveness (#4.1), SOE transactions (#4.5), Direct subnational payments (#4.6), Data quality (#4.9), Distribution of revenues (#5.1), Subnational transfers (#5.2), Mandatory social expenditures (#6.1), SOE quasi-fiscal expenditures (#6.2), Outcomes and impact of implementation (#7.4). 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, Papua New Guinea'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. The final decision was taken by the EITI Board.

Annex B – List of participants

Chair

Mr Fredrik REINFELDT

Countries

Implementing Countries

Ms Maria Teresa S. HABITAN, Assistant Secretary, Department of Finance, Philippines

Mr José Fernandes ROSA CARDOSO, National Coordinator, São Tomé e Príncipe

Mr Didier Vincent Kokou AGBEMADON, National Coordinator, Togo

Mr Mankeur NDIAYE, President, EITI National Committee, Senegal

Ms Agnès Solange ONDIGUI OWONA, EITI National Coordinator, Cameroon

Ms Marie-Thérèse HOLENN AGNONG, National Coordinator, Democratic Republic of Congo

Ms Carolina HAYES ROJAS, Vice Minister of Mines, Colombia

Supporting Countries

Mr Mark PEARSON, Director General, Planning, Delivery and Results Branch, Natural Resources Canada

Mr Chris DAVY, Director of Policy Analysis and Public Diplomacy, Bureau of Energy Resources, U.S. State Department, USA

Ms Judith HERBERTSON, Head, Governance, Open Societies and Anti-Corruption Department, Economic Development Division, Department for International Development (DfID), UK Denmark

Ms Marte BRISEID, Senior Adviser, Oil for Development Section, Norwegian Agency for Development Cooperation (NORAD), Norway

Ms Rosmarie SCHLUP, Head Macroeconomic Support, Economic Cooperation and Development State Secretariat for Economic Affairs (SECO), Switzerland

Mr Dirk-Jan KOCH, Special Envoy for Natural Resources, Ministry of Foreign Affairs, Netherlands

Civil Society Organisations

Mr Daniel KAUFMANN, President, Natural Resource Governance Institute (NRGI)

Ms Jana MORGAN, Director of Advocacy and Campaigns at ICAR - International Corporate Accountability Roundtable, USA

Mr Gubad IBADOGLU, Senior Researcher, Economic Research Center, Azerbaijan

Mr Oleksiy ORLOVSKY, International Renaissance Foundation, Ukraine

Ms Faith NWADISHI, Executive Director, Koyenum Immalah Foundation/National Coordinator Publish What You Pay, Nigeria

Mr Brice MACKOSSO, Commission Justice et Paix, Republic of Congo

Mr César GAMBOA, Derecho, Ambiente y Recursos naturales, Perú

Ms Cielo MAGNO, Bantay Kita, Philippines

Mr Moses KULABA, Governance and Economic Policy Forum, Tanzania

Companies including Investors

Mr Stuart BROOKS, Manager, International Relations, Chevron

Mr Dominic EMERY, Vice-President, Long-Term Planning, BP

Mr Alan McLEAN, Executive Vice President, Tax and Corporate Structure, Royal Dutch Shell

Ms Simone NIVEN, Group executive Corporate Relations, External Affairs, Rio Tinto

Mr Erik NÜRNBERG, Manager Legal, Equinor, Norway

Mr Jean-François LASSALLE, Senior Adviser to the President E&P, Total

Mr Jim MILLER, Vice President, Environmental Affairs, Freeport-McMoRan, Copper&Gold Inc.

Board Secretary

Mr Eddie RICH, Ag. Executive Director, EITI International Secretariat, Oslo

Observers

Ms Mariana ABREU, Researcher, Central Africa Extractives, Global Witness

Mr Bayani H. AGABIN, Undersecretary, Department of Finance and PH-EITI MSG Chair, Philippines

Mr Ba AMADOU, National Coordinator, Mauritania

Mr Koen Van ACOLEYEN, Head of Transitional Development and Governance Unit (D5.2) / D4D Policy Coordinator (D0), Ministry of Foreign Affairs, Foreign Trade and Development Cooperation, Belgium

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

Mr Jean-Francois AUBERT-GILON, Cooperation Counsellor, Embassy of France, Dakar, Senegal

Mr Dennis BAIDOO, Ghana National Petroleum Corporation, Ghana

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

Mr Jean-Luc BLAKEY, Senior Campaigner, Global Witness, Democratic Republic of Congo

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

Ms Susana BOKOBO, Global Tax Policy Leader, Repsol Group, Spain

Mr Simon CLYDESDALE, Campaign Leader, Global Witness

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

Ms Diana CORBIN, Senior Operations Officer (Donor Relations), Energy and Extractives Global Practice, World Bank, USA

Mr Andrew DECET, Corporate Affairs Manager SNE Development, Woodside, Australia

Ms Marième Anna DIAWARA, Permanent Secretary, EITI Senegal

Mr Sören DENG, Head of Division, Energy, Infrastructure and Raw Materials, Federal Ministry for Economic Cooperation and Development, Germany

Mr Ousmane DEME, Operations Manager, World Bank, USA

Mr Stephen DOUGLAS, General Counsel E&P, Total SA

Mr Duncan EDWARDS, Director of Global Initiatives and Impact, Publish What You Pay (PWYP), UK

Ms Amelia EVANS, Executive Director, MSI Integrity

Ms Maria Karla ESPINOSA, National Coordinator, EITI, Philippines

Mr Moustapha FALL, Head of Legal Affairs and EITI Partnership, Senegal

Ms Andrea FORABOSCO, Senior legal Counsel - Shell Companies EU Liaison Office, Belgian Shell, Belgium

Mr Merga Kenea GEMEDA, National Coordinator, Ethiopia

Ms Marie-Axelle GAUTIER, Vice-President, Public Affairs, Eramet Group

Ms Laura GAVINELLI, Interuniversity Research Centre in Economics for Territories, DiSEADE, Department of Business Administration, Finance, Management and Law, University of Milano-Bicocca, Italy

Mr Cheikh GUEYE, Senegal Country Representative, Woodside, Senegal

Mr Bastian HALIM, EITI Indonesia

Mr George HARAWA, National Coordinator, Malawi

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

Ms Mina HORACE, National Coordinator, Sierra Leone

Ms Andrea JÜNEMANN, Head of Section "International Resource Policy", Federal Ministry for Economic Affairs and Energy, Germany

Mr Fred KABANDA, Division Manager, Extractives, African Development Bank | African Natural Resources Centre (ANRC), Cote d'Ivoire

Mr Ardit KAMBERI, Albanian EITI National Secretariat, Albania

Ms Fatime KANTE, National Coordinator, Seychelles

Ms Sheila KHAMA, Practice Manager, Extractive Global Programmatic Support (EGPS), World Bank, USA

Ms Maria KURIKKALA, Desk Officer, Ministry of Foreign Affairs, Finland

Ms Cherie LAMBERT, Private Sector Development, Multilateral Development and Finance, Division, Department of Foreign Affairs and Trade (DFAT), Australia

Mr Per LANDBERG, Senior Adviser, The Knowledge Bank, Oil for Development Section, Norwegian Agency for Development Cooperation (NORAD), Norway

Ms Jennifer LEWIS, Governance and Rule of Law Advisor, Center of Excellence on Democracy, Human

Rights and Governance (DRG), USAID/DCHA, USA

Ms Marie LINTZER, Senior Governance Officer, Natural Resource Governance Institute (NRGI), USA

Mr Reg MANHAS, Senior Vice President, External Affairs, Kosmos Energy

Mr Robert MOIDOKANA, National Coordinator, Central African Republic

Mr Geraud MOUSSARIE, Head of Country, BP, Senegal

Ms Isabel MUNILLA, Policy Lead, Extractive Industries Transparency, Oxfam America, Washington DC, USA

Mr Christian MOUNZEO, Publish What You Pay (PWYP) Coordinator and Vice President EITI, Republic of Congo

Mr Ian MWIINGA, Communications Officer, EITI Zambia

Mr Frode NEERGAARD, Chief Adviser, Growth and Employment in Development Cooperation, Ministry of Foreign Affairs, Denmark

Mr François NZEKUYE, National Deputy Speaker, GMP EITI-DRC Member, Democratic Republic of Congo

Mr Gabriel S. NYENKA, Head, EITI Secretariat, Liberia

Mr Franck NZIRA, EITI-DRC National Secretariat Representative, Democratic Republic of Congo

Mr Michel OKOKO, EITI, National Coordinator, Republic of Congo

Mr Clovin Bozire ONTSOUON ASSEN, Member, EITI Executive Committee (Civil Society), Republic of Congo

Mr Alessio PAGNOTTA, Manager Sustainable Energy, ENI

Mr Moyikoli PERRYS, Member of the EITI Technical Secretariat, Republic of Congo

Ms Elisa PETER, Executive Director, Publish What You Pay, UK

Mr Sergio PIAZZARDI, Policy Officer, DG Development and Cooperation – EuropeAid, European Commission, Belgium

Mr Bastian PRIES, Associate General Counsel, Legal Department, Shell

Ms Daniella Tolotrandry Rajo RANDRIAFENO, National Coordinator, Madagascar

Mr Matthew RAY, Deputy Director, Business Frameworks, UK

Mr Sven Ulrich RENNER, EGPS Program Manager, World Bank, USA

Mr Mark ROBINSON, Executive Director appointee, EITI Secretariat, Oslo

Ms Geneviève Van ROSSUM, Special Representative, Bioethics and Corporate Social Responsibility, Ministry of Foreign Affairs, France

Ms Tatyana SEDOVA, Global Initiatives and Impact Coordinator, Publish What You Pay (PWYP), UK

Ms Isabelle SCHWABA, Group Public Affairs Assistant, Eramet Group, France

Ms Linda TAMAKLOE, Principal Investor Relations Officer, Ghana National Petroleum Corporation, Ghana

Mr Edi Effendi TEDJAKUSUMA, EITI Indonesia

Ms Marième Diawara THIAW, National Coordinator, EITI Secretariat, Senegal

Mr Kouadio Julien TINGAIN, National Coordinator, Côte d'Ivoire

Ms Alice THIOMBIANO, National Coordinator, Bukina Faso

Ms Claret VARGAS, Research Director, MSI Integrity

Ms Hélène De VILLIERS-PIAGET, CEO, Responsible Mining Foundation, Switzerland

Mr Jürg VOLLENWEIDER, Programme Manager, State Secretariat for Economic Affairs (SECO), Switzerland

Mr Miles WARNER, General Manager, Cairn Energy, Senegal

Ms Natasha WHITE, Researcher, Central Africa Extractives, Global Witness

Mr Wouter WOORMGOOR, Directorate General for International Cooperation, Ministry of Foreign Affairs, The Netherlands

EITI International Secretariat

Ms Synøve ALMÅS, Policy Officer

Mr Bady BALDÉ, Regional Director

Mr Sam BARTLETT, Technical Director

Ms Murjana GAMAWA, Country Manager

Mr Dylan GÉLARD, Regional Director

Mr Alex GORDY, Validation Director

Ms Leah KROGSUND, Admin and Finance Manager

Ms Ines Schjolberg MARQUES, Policy Director

Ms Gay ORDENES, Regional Director

Mr Victor PONSFORD, Communications Officer

Ms Marianne STIGSET, Communications Director

Ms Indra THÉVOZ, Technical Officer

Ms Oliana VALIGURA, Country Manager

Mr Pablo VALVERDE, Regional Director

Mr Brynjar WIERSHOLM, Finance & HR Director