

Minutes

These Minutes capture the discussion and agreed outcomes of the 58th Board meeting.

MINUTES OF THE 58TH EITI BOARD MEETING

Table of Contents

58-1 Welcome and adoption of the agenda	3
58-2 Report from the Secretariat	3
58-3 Report from the Outreach Committee	5
58-4 Report from the Finance Committee	6
58-5 Joint Report from the Finance Committee and the Governance and Oversight Committee	6
58-6 Report from the Governance and Oversight Committee	8
58-7 Report from the Implementation Committee	10
58-8 Report from the Rapid Response Committee	11
58-9 Report from the Validation Committee	11
58-10 Report from the World Bank	15
58-11 Any other business	17

Abbreviations

FC – Finance Committee
GOC – Governance and Oversight Committee
IC – Implementation Committee
LAC – Latin America and the Caribbean
MSG – multistakeholder group
OCC – Outreach and Candidature Committee
OECD – Organisation for Economic Co-operation and Development
RRC – Rapid Response Committee
VC – Validation Committee

58-1 Welcome and adoption of the agenda

The **EITI Board Chair, Helen Clark** opened the 58th Board meeting, expressing appreciation to Board members taking the time for attending the meeting. She reminded the Board members of the main items in the agenda. The Chair acknowledged the multistakeholder nature of the Board, recognising inevitable differences in opinion and encouraged Board members to contribute to the proceedings on the basis of mutual respect in the interest of arriving at consensus decisions on proposed items.

The draft Board meeting agenda was approved.

The Chair welcomed the new alternate Board member Mr Bayani Agabin, Undersecretary, Department of Finance, Philippines to his first Board meeting and noted apologies from the following Board members:

- James Ensor, Vice President External Affairs, BHP
- Francess Alghali, Minister of State, Office of the Vice-President, Sierra Leone

58-2 Report from the Secretariat

Board Paper 58-2-A Implementation Progress Report: June-September 2023 – for information

Mark Robinson presented the Implementation Progress Report (IPR) for the period June – September 2023, noting that the report reflects the views of the International Secretariat and is provided as an update to inform Board discussions. He highlighted both progress and challenges faced by EITI implementing countries and noted that conflict and political instability had affected implementation in several countries. The spotlight in the report highlighted the project “Engaging communities in a just transition”, which explored how the energy transition affects the livelihoods of communities situated near extractive and energy projects. The thematic focus drew attention to some of the key trends in implementation, by presenting summary data on Validation findings since June 2019, sharing information on the status of work-planning at a national level and identifying opportunities for the Secretariat to provide guidance and capacity building to support implementation of the 2023 EITI Standard.

Board members thanked the Secretariat for providing a comprehensive and valuable report. They commended implementing countries for their continued progress despite ongoing challenges and raised several points during the discussion:

- In Kyrgyzstan, CSOs are campaigning against a law that would restrict the activities of international organisations receiving international funding. Given the potential impact of this law on the freedoms of Kyrgyzstan’s CSOs, it was suggested that the Secretariat explore potential response strategies to address this concern.
- In lieu of suspending countries for not submitting reports with low levels of production of extractives for whom the EITI has less relevance, a Board member proposed engaging them with a focus on piloting aspects of EITI reporting relevant to the energy transition.
- A suggestion was made to provide more in-depth analysis of the LAC region, including how political instability in the region impacts on safeguards for the engagement of civil society organisations. Examples such as the criminalisation of protests in Guatemala and efforts in the Peruvian congress to withdraw from the Inter-American Human Rights System were

highlighted, in addition to a recently published report by Global Witness on Land and Environmental Defenders in the region.

- A Supporting Country Board member expressed appreciation to the Government of Senegal and the Secretariat for successfully carrying out the 2023 Global Conference. They also commended Ukraine for their continued commitment and implementation of the EITI Standard.
- A CSO Board member enquired about the impact of flexible reporting on data reliability, and asked the International Secretariat to identify any issues or concerns that the Board should consider.

The Secretariat responded that:

- No decline in the quality of data reported under flexible reporting has been observed, but plans are underway to conduct a review of the second set of reports produced under the flexible reporting model and to provide the Board with feedback.
- There are concerns related to the civic space in some Central Asian countries which have led to these countries being designated 'amber' in the summary table on implementation progress. The Secretariat will engage with the Board member concerned on this issue, with a view to assessing whether there is additional support that the EITI can offer to respond.
- Reservations were expressed regarding the suitability of countries with low engagement and/or capacity as candidates for piloting energy transition reporting provisions. The Secretariat is currently reviewing the case of Seychelles and will provide an update to the IC. Guatemala is currently under suspension and the situation in that country can be reassessed in light of the agreed policy on political instability (see section 58-7 below).

Actions:

- International Secretariat to follow-up with the Board member regarding civic space in Kyrgyzstan.
- International Secretariat to provide an update to the IC on engagement with Seychelles.
- International Secretariat to provide an update to the IC on the situation in Guatemala.
- International Secretariat to provide an update to the Board on the impact of flexible reporting on data reliability.

Board paper 58-2-B Outreach Progress Report June-October 2023 – for information

The International Secretariat presented the Outreach Progress Report (OPR) for the period June-October 2023 noting that the Secretariat returned to travel and missions on a scale similar to the period before the pandemic, while continuing to conduct virtual missions in addition to those. The Secretariat further elaborated on the latest developments around outreach activities.

Board members raised the following points:

- Implementing Country members discussed outreach to Rwanda among the country updates in the OPR.
- Supporting Country members welcomed the interest of new countries in the EITI, underlining the importance of outreach activities to new countries to strengthen the EITI. They further welcomed the outreach efforts towards engaging new supporting countries, including SOEs.
- Supporting Country members welcomed the communication streaming through the new EITI website and encouraged the Secretariat to keep the EITI Board informed of EITI

participation in high level conferences and panels going forward.

- Supporting Country members further commended efforts by the IS to engage with EU member states to encourage EITI membership.
- Further efforts to strengthen strategic regional approaches to country outreach was welcomed, with a particular focus on geopolitical considerations in outreach.

58-3 Report from the Outreach Committee

Board paper 58-3 EITI Outreach Strategy 2023-2026 – for decision

The Chair of the Outreach and Candidature Committee (OCC) James Nicholson, presented the 2023-2026 Outreach Strategy for decision, outlining the objectives of the strategy and proposed activities. The Committee Chair noted that Strategy acknowledged the interest of Equatorial Guinea to re-join the EITI and outreach to supporting countries focused on OECD members such as Japan. He further elaborated that the corporate outreach prioritised SOEs, mining, oil and gas companies, financial institutions, and commodity traders and aimed to foster the interest of renewable energy companies and large industrial users of raw materials.

The Chair of the Committee noted that the Strategy was a result of consultations among members of the OCC, where all constituencies of the Board were represented and that the draft strategy had been shared with the previous Board. Board members raised the following points:

- A CSO member questioned the absence of Uzbekistan as a target country, noting that recent political reforms created opportunities for EITI membership.
The Secretariat agreed and noted that supporting companies, as well as a financial institution, have previously flagged interest in outreach activities in Uzbekistan. Outreach activities are pending interest from the country which the Secretariat will be following up on.
- The European Union (EU) Critical Raw Materials Act could expedite agreements to the detriment of local communities and outreach to countries concerned should take account of this possibility. This member noted it is important that the values of EITI are promoted within the EU Critical Raw Materials Club, and asked whether the EITI Secretariat has considered it.
The Secretariat noted that the EU provides financial support for outreach activities, which the Secretariat develops in consultation with the civil society, corporate and government constituencies through the OCC. The EU has also entered into Critical Raw Materials Partnerships with several EITI implementing countries and is working actively to include EITI membership as an integral in such partnerships in several outreach countries. The Club is primarily geared towards producer countries and the Secretariat will continue to liaise with the EU as the plan for this takes shape.
- Board members discussed the inclusion of Rwanda among the target countries identified in the regional section of the outreach strategy, expressing concern over the potential implications for the DRC.
As with the discussion under item 58-2-B, Board members were encouraged to discuss Rwanda should the membership application be submitted to the EITI following a planned high-level visit in December.

Actions:

- The Secretariat to publish the EITI Outreach Strategy 2023-26 on the EITI website.

58-4 Report from the Finance Committee

Board paper 58-4-A EITI Q2 Accounts and Full year 2023 Outlook, including report from the Global Conference – for information

The Chair of Finance Committee (FC), Christine Detaille, informed the Board that the Committee has thoroughly reviewed the Q2 Accounts and full year outlook 2023 including the report from the Global Conference. The Secretariat has implemented cost control measures and pursued funding to address the projected deficit of USD 562K. To ensure diligent financial oversight, the FC has increased the frequency of its meetings to review budget implementation, as directed by the Chair of the Board. The report projects a modest surplus for 2023, alongside savings in the expenses of the Global Conference.

Initially, the Secretariat allocated USD 1.6 m for the Global Conference of which USD 1.2 m was anticipated as external fundraising. The balance of USD 0.4m was intended to be used from the Secretariat's accumulated surplus from previous years. The Secretariat successfully raised USD 1.2m from supporting companies and supporting countries. In addition, the Senegalese Government provided in-kind contribution for the venue for the event. The Global Conference was delivered within budget, with expenditure USD 46K below the anticipated USD 1.6m. This reduced the Secretariat's own use of funds. Most of the saving was realised on travel and transportation.

Board paper 58-4-B EITI Q3 Accounts and Full year 2023 Outlook – for information

The Chair of the FC presented the paper and invited the Secretariat to provide further detail on it. Adding to this, the Chair of the Board mentioned that Denmark's financial contribution was confirmed subsequent to report's submission to the Board. She expressed gratitude to the Committee for their diligent oversight. Additionally, she highlighted that contributions from implementing countries haven't been reassessed in recent years, recommending that the Board give this matter consideration going forward.

Board members expressed appreciation to both the Committee and the Secretariat for their efforts in balancing the current budget and formulating the 2024 budget. They commended the clarity and thoroughness of the presentation.

Actions

- Implementing countries have been tasked with conveying the significance of financial contributions to those implementing countries that have not yet fulfilled their payment obligations.

58-5 Joint Report from the Finance Committee and the Governance and Oversight Committee

Board paper 58-5 2024 Draft EITI Secretariat work plan and budget – for discussion

The Chair of the Board emphasised that after three collaborative meetings, both the Governance and Oversight Committee (GOC) and the Finance Committee (FC) jointly recommend that the Board approve the medium scenario for the 2024 work plan and budget. This scenario is deemed the most cautious and feasible option. The Secretariat presented the work plan and budget highlighting that it continues planning its work based on the medium scenario. In presenting the 2024 budget, the Secretariat divided it into three segments: expenditures, revenues and

recommendations highlighting an increased need in support from the Secretariat on implementation.

Board members raised the following points:

- Implementing countries agreed that the medium scenario was more realistic but welcomed a consideration of a high scenario budget, considering the extensive technical support needed from the Secretariat on implementing the EITI Standard 2023.
- Civil society members thanked the Secretariat and Committee, and requested a copy of the slides used during the presentation. They expressed regret that the Validation schedule would be revised to ensure a manageable work load for the Secretariat in the face of staff time and budget constraints, as this is EITI's primary accountability mechanism.
- Supporting countries raised concerns about the notable disparity between the expenditures for 2023 and 2024. They requested detailed clarification on the specific activities necessitating the 50% increase in travel in the 2024 budget. Additionally, they emphasised the need for a clearer breakdown of costs, highlighting the presence of fixed costs inherent in the budget. Understanding what expenses are non-negotiable is crucial for the Board's assessment. Furthermore, a Board member from Supporting Countries asked about the total amount currently held in the reserve. The Chair of the Board echoed this point, emphasising its importance.
- The chair of the Finance Committee acknowledged the Secretariat's advancement in differentiating between core and project costs, while also pointing out that further efforts are needed in this area. She proposed that this topic be further explored in the upcoming in-person Board Meeting in Toronto. Additionally, she commended the presentation of the 2024 budget, noting that it comprehensively addressed various issues. She emphasised the clear necessity for both capacity building and financing to achieve the set objectives, urging the Board to duly consider this aspect.

The Secretariat thanked the Board for the questions raised and explained that the 2023 budget served as a foundational reference for planning the 2024 budget. They added that the 2024 budget includes provision for the next Global Conference. The Secretariat also noted that travel costs are forming a significant part of the budget mostly due to the fact that meaningful Validation requires the Secretariat's staff traveling to countries. It was also highlighted that implementation and capacity building are significant cost consuming areas of the EITI's work. The Secretariat committed to provide the Board with more details on travel for information but not for the Board to decide which mission the Secretariat's staff should undertake. The Secretariat's expectation is that the budget will level off in future years and this is an exceptional jump. The Secretariat also noted that the reserve value diminished due to currency fluctuation but stated that any surplus will go into the reserve to preserve a minimum of three months cover of expenses.

Noting that the Paper was submitted for the discussion, the Chair requested the Board's provisional support of the recommendation, subject to confirmation through Board Circular.

Actions:

- International Secretariat to define core activities (non-variable costs) in the 2025 budget more clearly.
- The International Secretariat to share the slides with the Board through the Board Circular.
- The Secretariat to submit the final work plan and budget for Board formal approval through the

58-6 Report from the Governance and Oversight Committee

Board paper 58-6 Recommendations from the Assessment of Company Progress in Meeting the Expectations – for decision

The Chair of the Board invited the chair of the GOC to present the paper. The chair of the GOC Olena Pavlenko reminded the Board, that the outgoing Board discussed the paper in brief at its last meeting on 12 June 2023, but did not agree the recommendations from the paper. Instead, the outgoing Board tasked the newly formed GOC to consider the recommendations in the paper as well as the outgoing Board's discussion concerning the paper. As a result, the Secretariat prepared a revised paper focusing on the recommendations from the assessment. The GOC discussed the recommendations over the course of three meetings, and after significant discussion, particularly between the constituencies of CSOs and industry, the Committee reached consensus on a set of recommendations.

Andrew Irvine from the Secretariat presented the recommendations to the Board highlighting that the paper focuses on the lessons learned and recommendations following the Secretariat's second assessment:

- First, the Board was recommended to agree that the Secretariat should follow-up with supporting companies assessed as not fully meeting the Expectations to explain how they can make further progress and to encourage such progress.
- As part of this follow up, the Board was recommended to agree that the Secretariat encourage each company to provide, in writing, steps the company intends to take to progress in meeting the Expectations ahead of the next assessment, tentatively scheduled to begin in the autumn of 2025. Companies with representatives on the EITI Board that were assessed as not fully meeting the Expectations voluntarily agree to provide a response to the Secretariat. The Secretariat will ask companies to provide these responses by the end of February next year. It would then publish the responses received prior to the end of May of next year.
- The Board was also recommended to agree that the Secretariat update the Guidance on the Expectations, particularly for Expectations 4, 6, and 7, concerning commodity trading transparency, beneficial ownership transparency, and anti-corruption policies, respectively.
- Further the Board was recommended to agree the timing of the next Secretariat-led assessment of company progress in meeting the Expectations. As presented in the paper, the assessment would commence approximately nine months ahead of the next EITI Members' Meeting, which would allow for completion of the assessment and publication of individual company results from the assessment roughly three months ahead of the next Members' Meeting.
- Following GOC discussion, the Board was recommended to not weigh certain Expectations more than others, as part of the Secretariat's assessment process. The Board was also recommended to not apply sanctions against companies that do not fully meet the Expectations
- Finally, the Board was recommended to agree that the Secretariat publish each supporting companies' individual assessment results in PDF form on each company's EITI webpage. In this regard, the Secretariat is planning to publish a blog, highlighting the publication, as well as the noteworthy progress made by supporting companies in meeting the Expectations. The blog will also emphasise the importance of company disclosures in

line with the Expectations.

Board members raised the following points:

- CSO members thanked the Committee and the Secretariat for the hard work on the paper but expressed disappointment that not all their concerns had been addressed. Coming out of the Dakar Global Conference and as part of the compromise that allowed the Board slate of nominees to be approved, the civil society constituency identified areas where accountability can be strengthened. They stated that progress to date has been extremely limited: CSO members stated they have compromised with only one solution accepted and taking listening to feedback a further two actions were the basis for compromise. However, they stated that four points they put forward have been rejected, with three remaining points pending or still to be discussed. Given the keen interest from global CSO constituencies, civil society Board members will be closely following the outcome of revisions to the Company Constituency Guidelines, and voluntary commitments from supporting companies on how they plan to overcome barriers to meeting Company Expectations.
- Civil society Board members noted that EITI Supporting Companies, especially those in the EITI Board, needed to demonstrate leadership and accountability. They raised concern regarding a potential threat to the EITI's integrity, citing a particular company on the EITI Board with a history of undermining the EITI Standard by rolling back reporting on project-level disclosures. They hope for further concrete steps from this company in particular, and added that the company assured them of action in response to these concerns.
- Supporting Companies members stated their appreciation for the constructive dialogue between the constituencies on this paper. They commended the Secretariat for its consensus driven approach. They emphasised a mutual understanding of the shared goal of promoting fiscal transparency and disagreed with claim concerning the stated actions of a company Board member undermine the EITI Standard. The company Board member addressed by civil society noted that EITI is a voluntary commitment, and the Company Expectations are not requirements.
- Implementing countries advocated for greater involvement of companies in governance and transparency efforts. They acknowledged the successful achievement of a consensus by the GOC on this issue, affirming that the Committee can now proceed with its activities grounded in these agreed-upon principles.

The Board agreed with the recommendations in the paper.

Actions:

- The Secretariat to follow up with individual supporting companies assessed as not fully meeting the Expectations to explain how they can make further progress and to encourage such progress.
- The Secretariat to encourage each company to provide, in writing, steps the company intends to take to progress in meeting the Expectations ahead of the next assessment, by the end of February 2024. The responses will be published by the end of May 2024.
- The Secretariat to update the Guidance on the Expectations, particularly for Expectations 4, 6, and 7, concerning commodity trading transparency, beneficial ownership transparency, and anti-corruption policies, respectively.
- The Secretariat to publish each supporting companies' individual assessment results in PDF on each company's EITI webpage and publish a blog on website.

58-7 Report from the Implementation Committee

Board paper 58-8 Engaging EITI countries experiencing political instability or conflict – for decision

Diana Kaissy, co-chair of the Implementation Committee (IC), introduced the key elements of the paper and highlighted the following:

- The paper clarifies the mandate of the EITI to respond to instances where EITI countries experience political instability and conflict and seeks to establish guidance in the application of Article 8.2 of the EITI Standard. Article 8.2 further mandates the EITI Board to monitor and review cases on a regular basis and to extend the suspension period or delist the country. The role of the Rapid Response Committee is clarified in the paper, and the terms of reference for the Rapid Response Committee would need to be amended following its approval.
- While the procedures outlined in the paper clarify the proposed procedures, they do not seek to be prescriptive, aiming to give the Board room to exercise its discretion on a case-by-case basis.

Joanne Jones from the Secretariat further added that the paper sets out agreed definitions and a process for determining how the EITI should respond when political instability occurs in EITI implementing countries. It seeks to establish clearer procedures, while maintaining flexibility. It takes into consideration the EITI Principles, as well as the capacity of the Secretariat.

Board members raised the following points:

- A Supporting Country Board member commended the suggested procedure and four-step approach to addressing cases of political instability and conflict and appreciated the emphasis on flexibility. He acknowledged the emphasis given to the safety of EITI stakeholders and other civil society actors. He further suggested that the Secretariat keep the Board informed about resource constraints that might arise from the implementation of the policy, particularly in cases where enhanced scrutiny is required.
- A CSO member stressed that for countries under enhanced scrutiny, the 24-month period agreed for follow up with the Board should not be the default; rather, it should be considered as the maximum allowable period of time.
- A CSO member highlighted the importance of the paper addressing various scenarios of political instability and the elements that affect civic freedoms. In response, the Chair of the Board acknowledged recent cases where military regimes had come into power, but the countries concerned had not been suspended due to the absence of information or advice indicating a compromise in civic space and continued EITI implementation.
- An Implementing Country member sought clarity on the purpose of suspension, suggesting refinements to the language used in that regard. In response, the Board Chair noted that the content of the paper aligns with the established practices of the EITI and the Board in addressing diverse situations of political instability and that the essential consideration is whether EITI implementation can continue in a meaningful way.

The Board agreed the definitions, procedures and policy as set out in the paper on engaging EITI countries experiencing political instability or conflict.

Actions:

- The Secretariat to assess countries experiencing political instability or conflict in the light of the agreed policy on countries experiencing political instability or conflict.
- The RRC to update its TORs in line with the agreed policy and procedures.

58-8 Report from the Rapid Response Committee

Nassim Bennani from the Secretariat presented an update on Gabon, Niger, Madagascar and Myanmar.

On Gabon and Niger, it was recalled that the two countries were under active monitoring until 9 January 2024, following the coup of 30 August and 26 July respectively. The Secretariat highlighted feedback received during consultations and efforts made by local stakeholders to resume EITI implementation in each country. The Secretariat noted that the MSGs had not met yet in either of the countries. IS concluded that it continues the active monitoring of the situation in both countries.

On Madagascar, the Secretariat described the political turmoil experienced in the country in the context of the presidential election.

On Myanmar, the Secretariat provided an update as part of the ongoing monitoring since the Board decision to suspend Myanmar due to political instability and conflict in February 2021. Civil society Board members expressed continued support for the action taken, noting the coordination of sanctions by US, Canada, UK and EU on Myanmar's mining, oil and gas State Owned Enterprises in November, further demonstrating the regime's reliance on revenues from the extractives sector.

Board members thanked the Secretariat for the updates and expressed support on the approach taken.

58-9 Report from the Validation Committee

Board paper 58-9 Report from the Validation Committee

The Board Chair introduced the report from the Validation Committee (VC), noting that there were two Validation recommendations for decision (the Dominican Republic and Nigeria), two targeted assessment recommendations for decision (Honduras and Tajikistan) and one recommendation for decision on revisions to the Validation schedule.

Item 58-9-A Validation of the Dominican Republic (for decision)

The Board Chair requested observers from the Dominican Republic to recuse themselves from the discussion. Subsequently, the Secretariat presented the recommendation of the VC to the Board, proposing that the Dominican Republic be recognised for achieving a moderate overall score of 83.5 out of 100 in the implementation of the 2019 EITI Standard. It was emphasised that this overall score is an average of the component scores for 'Stakeholder engagement,' 'Transparency,' and 'Outcomes and impact.' Notably, the Dominican Republic received a 'high' score for the 'Stakeholder engagement' component, as well as a 'moderate' score for the 'Outcomes and impact' and 'Transparency' components.

Board members raised the following points:

- A Civil Society Member highlighted the importance of the MSG establishing a mechanism for monitoring adherence to the EITI protocol on participation of civil society to ensure that there are no government constraints on civil society's ability to engage in all aspects of the EITI process. The Secretariat was encouraged to provide support to the MSG in addressing Requirements 6.1 and 6.4 given civil society's objectives of using the EITI to address environmental and social impacts of mining. The importance of EITI outreach and dissemination targeting local communities was highlighted, given that past efforts at subnational outreach were limited.
- A Supporting Country member welcomed the detailed Validation report and echoed the importance of communications of EITI findings and data to local communities.

Following the discussion, the Board reached a consensus, agreeing that the Dominican Republic has attained a moderate overall score in implementing the 2019 EITI Standard.

Actions:

- The Board Chair to write to the Government of the Dominican Republic to communicate the Board decision.
- The Secretariat to publish the Board decision on the Dominican Republic's Validation.

Item 58-9-B Validation of Nigeria (for decision)

The Chair of the Board requested observers from Nigeria to recuse themselves from the discussion. Subsequently, the Secretariat presented the recommendation of the VC to the Board, proposing that Nigeria be recognised for achieving a moderate overall score of 72 out of 100 in the implementation of the 2019 EITI Standard. It was emphasised that this overall score is an average of the component scores for 'Stakeholder engagement,' 'Transparency,' and 'Outcomes and impact.' Notably, Nigeria received a 'high' score for the 'Outcomes and impact' component, as well as a 'moderate' score for the 'Transparency' component and a 'fairly low' score for the 'Stakeholder engagement' component.

Board members raised the following points:

- Several Board members commended Nigeria EITI for progress in disclosures since the previous Validation but expressed serious concern over allegations of potential breaches of the EITI Code of Conduct by certain EITI officeholders in Nigeria, citing strong reputational risks not just for NEITI but for the EITI globally.
- CSO and Supporting Company members emphasised the importance of ongoing monitoring of Nigeria and noted the possibility of referring the matter to the Board again if more conclusive evidence of breaches of the EITI Code of Conduct was identified following the Validation decision. They further emphasised the importance of the Secretariat's planned post-Validation mission to Nigeria in early 2024 to engage with the new government, support the MSG's planning on following up on corrective actions, and to collect additional information on the potential breaches of the EITI Code of Conduct.
- An Implementing Country member emphasised Nigeria's importance as an EITI implementing country that was the third largest economy in Africa and its largest oil producer. While acknowledging the serious nature of allegations, it was stressed that Nigeria EITI was backed by law and thus that it was important to engage with NEITI's oversight authorities in the country. The IS was asked to clarify why the Validation did not include in-person consultations during a country mission. IS was also asked to clarify whether the comments on the draft Validation report received from the industry

constituency had been taken into account. The Secretariat was asked to clarify whether the government constraints on civil society identified in the Validation were linked to the run-up to the February 2023 general elections, which was often a tense time for civic space in many countries.

- A Supporting Country member asked whether the NEITI Secretariat recruitments had been fully taken into account in the Validation report. IS was also asked to clarify whether the planned post-Validation mission would suffice to ensure ongoing monitoring of the situation.

The Secretariat provided the following clarifications:

- A pre-Validation support mission had been planned for November 2022 but had to be cancelled due to security advisories from several foreign embassies ahead of the elections. The post-Validation mission planned for January 2024 is intended to be both high-level, to communicate the findings of Validation and engage with the new administration, and technical, to support the MSG and national secretariat's planning of follow-up on corrective actions.
- It was confirmed that all industry comments on the draft Validation report had been taken into consideration in finalising the Validation report, but that weaknesses in industry engagement in the EITI process continued to be outstanding.
- The Validation identified a pattern of government harassment of certain civil society activists that had started as early as 2020, rather than isolated incidents linked to the pre-election period.
- The Secretariat would continue to monitor developments in Nigeria and report back to the Board following this Validation. The Board was reminded that it had the discretion of mandating a targeted assessment of any individual EITI Requirements or module of inter-related EITI Requirements if it identified further concerns over adherence to the EITI Principles or EITI Requirements.

Following the discussion, the Board reached a consensus, agreeing that Nigeria has attained a moderate overall score in implementing the 2019 EITI Standard.

Actions:

- The Board Chair to write to the Government of Nigeria to communicate the Board decision.
- The Secretariat to publish the Board decision on Nigeria's Validation.

Item 58-9-C Targeted assessment of Tajikistan (for decision)

The Chair of the Board requested observers from Tajikistan to recuse themselves from the discussion. Subsequently, the International Secretariat presented the recommendation of the VC to the Board, proposing that Tajikistan be recognised for achieving 'mostly met' on Requirements 1.1, 1.2 and 1.3, and 'partly met' on Requirements 1.4 and 1.5. The targeted assessment scores would not be reflected in Tajikistan's Validation scorecard pending a full Validation commencing on 1 July 2024.

Board members raised the following points:

- Implementing Countries and CSO members expressed concern over the level of government engagement and the environment for civil society engagement in the EITI process, but expressed support for the recommendation, which represented a

compromise by the VC.

- A CSO member welcomed the recent signs of improvement in government engagement but highlighted the need for this renewed commitment to be operationalised. It was emphasised that civil society VC members considered that the assessment of Requirement 1.3 should be 'partly met', which would lead to suspension, but noted that the compromise was that Requirement 1.3 be maintained as 'mostly met' pending a next full Validation in six months. It was expected that this decision would prompt stakeholders in Tajikistan to take urgent action to address the corrective actions.
- A CSO member emphasised that, as these are the first two targeted assessments under the new procedure it was too early to determine their effectiveness in galvanising government engagement and action, and while they can generate useful lessons they should not be used as precedents for future targeted assessments.
- Supporting countries expressed support for the recommendation and requested that the Secretariat underline the urgency for the government of Tajikistan to undertake the necessary steps to make progress ahead of the next Validation.

Following the discussion, the Board reached a consensus, agreeing that Tajikistan has attained 'mostly met' on Requirements 1.1, 1.2 and 1.3, and 'partly met' on Requirements 1.4 and 1.5.

Actions:

- The Board Chair to write to the Government of Tajikistan to communicate the Board decision.
- The Secretariat to publish the Board decision on Tajikistan's targeted assessment.

Item 58-9-D Targeted assessment of Honduras (for decision)

The Chair of the Board requested observers from Honduras to recuse themselves from the discussion. Subsequently, the IS presented the recommendation of the VC to the Board, proposing that Honduras be recognised for achieving 'mostly met' on Requirement 1.2 and 'partly met' on Requirements 1.1, 1.3, 1.4 and 1.5. The targeted assessment scores would not be reflected in Honduras' Validation scorecard pending a full Validation commencing on 1 July 2024.

Board members raised the following points:

- While supporting the recommendation, Implementing Country and CSO members expressed concern over the regression in progress since the previous Validation and noted the risk of Honduras being delisted at the next Validation if there was insufficient progress.
- A CSO member noted that their constituency had initially advocated for the immediate removal of Honduras from the list after the targeted assessment given the lack of progress with EITI implementation. However, they acknowledged that a consensus was reached in the VC to reaffirm Honduras' suspension. Additionally, it was agreed that the next Validation would be conducted in six months.
- Implementing Countries and Supporting Company members raised concern whether the six-month period allocated for the upcoming Validation would allow Honduras ample time to effectively implement the necessary corrective actions.

Following the discussion, the Board reached a consensus, agreeing that Honduras has attained 'mostly met' on Requirement 1.2 and 'partly met' on Requirements 1.1, 1.3, 1.4 and 1.5.

Actions:

- The Board Chair to write to the Government of Honduras to communicate the Board decision.
- The Secretariat to publish the Board decision on Honduras' targeted assessment.

Item 58-9-E Validation schedule (for decision)

The Secretariat presented the recommendation of the VC to the Board, proposing a schedule of Validations under the 2023 EITI Standard from January 2025 onwards. The schedule of Validations under the 2019 EITI Standard in 2024 remained unchanged.

Board members raised the following points:

- A CSO member reminded the Board that Validation is the core business of the EITI, and civil society sees it as an important instrument to catalyse progress. and expressed concern that the frequency of Validations was being reduced with the new Validation schedule. They called on the Board to allocate sufficient resources to Validation in order to maintain an acceptable frequency of Validations.

Following the discussion, the Board reached a consensus, agreeing the revised Validation schedule.

Actions:

- The International Secretariat to write to the MSG of each country whose Validation date has been adjusted to communicate the Board decision.
- The Secretariat to publish the Board decision on the revised Validation schedule.

58-10 Report from the World Bank

Overview of ongoing EGPS activities in support of EITI implementation

The presentation by the World Bank could not take place on account of timing changes in the Board agenda but it was noted that the report provided by the Bank provides an update on grant implementation under EGPS-2 and summary information on progress with the EGPS-3 concept note.

The Board Chair requested Board members who had read the report from the World Bank to share their views:

- A CSO Board member reminded the Board of the earlier requests for enhanced collaboration between the global CSOs and the World Bank on grants for projects related to transparency, accountability, and energy transition, noting that no progress has been made despite the agreement in principle between the EGPS and CSOs constituency to establish a long term collaboration and sign a MoU between the CSO constituency and the World Bank through the EGPS. The Board member requested the newly appointed Practice Manager for Energy and Extractives to facilitate further negotiations and produce a memorandum of understanding (MOU) for sustainable cooperation. Additionally, the member reiterated the proposal that reports from the Bank to the EITI Board should first undergo Committee review for a more thorough discussion process as proposed repeatedly in previous Board meetings. A request was made for these reports to be

provided in advance of meetings to seek input through the Committee process.

- Building on the previous comment, another CSO Board member enquired about EGPS funding plans for CSOs beyond 2024. They noted that only one grant was awarded to a CSO in March 2022 which was expected to end in December 2023. They expressed concern that further delay seems to be inevitable based on the report from the Bank to the Board.
- Another CSO member echoed the previous sentiments and added a note of appreciation for the World Bank's transformational investments in Asia-Pacific region, but echoed calls for further support for countries with strategic and energy transition minerals, to strengthen anti-corruption and climate disclosure provisions in those countries.
- A supporting country Board member expressed regret for the Bank not being able to present the Report to the EITI Board. She made the following points:
 - She welcomed the overview provided in the report on EITI implementation but expressed regret for the slow processing of country requests for support and delays in grant disbursement which results in countries not being able to fulfil the requirements for EITI implementation due to disbursements not materialising in time.
 - She welcomed support for Ukraine to be able to continue with EITI implementation despite Russia's unprovoked and unjustified aggression.
 - She further welcomed the grant support that has been given to CSOs, acknowledging the small amount of funding granted to CSOs is modest in relation to stated needs and stressing the importance of continued support to CSOs through the EGPS.
 - She commended the high percentage of support under Component 1 in EGPS-2 under the 15th pipeline of projects with a caveat that efforts should be enhanced to realise a 100% disbursement of EGPS-2 funds before this phase ends in 2025, to achieve the objective of 50% of EGPS-2 funding that is earmarked for Component 1 as support for EITI implementation.
 - She expressed regret that the report did not provide information on future support for EITI implementation under the planned EGPS-3 project. She expressed grave concern on future support from the EGPS for EITI implementation based on the information presented to the Board in this Report.
- Implementing countries Board representatives also expressed regret for not having the World Bank presentation but expressed gratitude for their support to EITI implementation, underscoring the importance of World Bank funding for implementing countries. They called for the support from the EITI Secretariat to implementing countries on developing grant applications to the WB that would be innovative and in line with EITI requirements.

While not directly addressing the comments from Board members, the Secretariat agreed to convey the messages from the Board to the World Bank. The Executive Director concluded that:

- The draft concept note for EGPS-3 appears to indicate a higher level of prospective support to CSOs.
- The current design of EGPS-3 does not have earmarked funding for EITI implementation. Concerns expressed by Board members would be passed on to World Bank counterparts.
- The Secretariat will urgently follow up with the World Bank on outstanding disbursements under EGPS-2 as it is affecting implementation in a number of countries.
- Given the interest expressed from Board members, the Secretariat agreed to convey a request for a briefing from the World Bank to EITI Board Committees before the end of the year on the plans to address the disbursement backlog on EGPS-2 and feedback from the

Secretariat and Board members on the draft concept note for EGPS-3, especially relating to the concern on the absence of earmarking to support EITI implementation.

Actions:

- EITI Secretariat to follow-up with the WB and convey the messages from the Board discussion.
- EITI Secretariat to arrange for a briefing from the World Bank to relevant EITI Board Committees.

58-11 Any other business

The Secretariat outlined plans for the future Board meetings:

- The 59th Board meeting is taking place in Toronto, Canada as detailed in Board Circular 339. Mark Robinson reminded Board members that the meeting will take place from 29 February to 1 March. He added that preparatory meetings are expected to take place on 27 February and a closed-door Board retreat is expected to take place on 28 February for which the details would be circulated in January 2024.
- The Government of Switzerland has extended their invitation in hosting the 60th Board meeting in Geneva on 19-20 June 2024. Jürg Vollenweider added that the Government of Switzerland is delighted to host an EITI Board meeting in Geneva where there is an abundance of international organisations and many extractive companies. Board members thanked the Government of Switzerland for the invitation to host a Board meeting in Geneva.
- The Government of Armenia expressed an interest in hosting a Board meeting in the future. Further detail on this proposal would be provided to the Board next year.

Board members thanked the governments of Canada and Switzerland for hosting the 59th and 60th Board meetings respectively. They also thanked the Secretariat for organising these Board meetings and asked that the Board meeting agenda is shared in good time, taking into account the time needed to discuss pertinent issues around EITI Implementation.

Annexe A:

Participant List – 58th EITI Board Meeting

Grey = did not attend

Chair

Rt Hon. Helen CLARK

Countries

Implementing Countries

Mr Mohamed Lemine AHMEDOU, EITI National Coordinator, Mauritania

Alt: **Mr Samou SIDIBE**, EITI Permanent Secretary, Mali

Ms Isabel CHUVAMBE, EITI National Coordinator, EITI Secretariat, Mozambique

Alt: **Ms Francesc ALGHALI**, Minister of State, Office of the Vice-President, Sierra Leone

Mr Miguel Angel DÍAZ, Vice-Minister of Mines, Dominican Republic

Alt: **Mr Gregory McGUIRE**, Chairman of TTEITI Steering Committee, Trinidad & Tobago

Mr Jean-Jacques KAYEMBE, EITI National Coordinator, Democratic Republic of Congo

Alt: **Mr Florent Michel OKOKO**, EITI National Coordinator, Republic of the Congo

Mr Agus Cahyono ADI, EITI National Coordinator, Indonesia

Alt: **Mr Bayani AGABIN**, Undersecretary, Department of Finance, Philippines

Ms Lusine TOVMASYAN, EITI National Coordinator, Armenia

Alt: TBC

Supporting Countries

Ms Christine DETAILLE, Head of Unit Transitional Development and Governance, Ministry of Foreign Affairs, Foreign Trade and Development Cooperation, Belgium

Alt: **Ms Melissa SÄILÄ**, Programme Director, Taxation for Development Action, Unit for Development Finance and Private Sector Cooperation, Ministry of Foreign Affairs, Finland

Mr Rinaldo JEANTY, Director General and Chief Inspector of Explosives, Lands and Minerals Sector, Natural Resources, Canada

Alt: **Mr Carl WATSON**, Director, Office of Policy Analysis & Public Diplomacy (ENR/EGA/PAPD), Bureau of Energy Resources, U.S. Department of State, USA

Mr Jürg VOLLENWEIDER, Head, Macroeconomic Support Section, State Secretariat for Economic Affairs (SECO), Switzerland

Alt: TBC

Civil Society Organisations

Mr Aliou Ba COULIBALY, President, Publish What You Pay (PWYP) Coalition, Mauritania

Alt: **Mr Kossi KOUGBLENOU**, Executive Director, ACOMB, Togo

Ms Vanessa CUETO LA ROSA, Environmental Lawyer, Derecho Ambiente y Recursos Naturales, Peru

Alt: **Ms Yessica PRIETO RAMOS**, National Director, Projects & Research, Crudo Transparente, Colombia

Ms Diana EL KAISSY, Advisory Board Member, Lebanese Oil and Gas Initiative-LOGI, Lebanon

Alt: **Mr Matthieu SALOMON**, Interim Governance Programs Director, Senior Governance Officer, NRGI, France

Ms Mariya LOBACHEVA, Executive Director, Echo - Public Association, Kazakhstan

Alt: **Ms Olena PAVLENKO**, President, DiXi Group, Ukraine

Mr Clancy MOORE, Chief Executive Officer, Transparency International, Australia

Alt: **Ms Tamika HALWIINDI**, Environmental Governance Officer, Transparency International Zambia

Companies including Investors

Ms Kathryn CASSON, Chief Adviser, Civil Society and Outreach, Rio Tinto

Alt: **Mr Richard MORGAN**, Head of Government Relations, Anglo American

Mr Chinonso EMEHELU, Director, Sub-Saharan Africa, International Government Relations, ExxonMobil

Alt: **Mr Mike ANDERSON**, Senior Vice President, Sustainability and External Affairs, Kosmos Energy

Mr James ENSOR, Vice President External Affairs, BHP

Alt: **Mr Nick COTTS**, Senior Vice President, Sustainability and External Relations, Newmont Mining

Ms Nathalie MOGNETTI, Senior Vice President, Tax, TotalEnergies

Alt: **Mr Roberto NARDI**, Head for Consolidated Financial Statements and Reporting, Eni

Mr James NICHOLSON, Head of Corporate Responsibility, Trafigura Group

Alt: TBC

Mr Christopher RICE, Executive Vice President, Tax, Shell International Limited

Alt: **Ms Ivanka MAMIC**, Senior Vice President, Sustainability, bp

Board Secretary

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

Observers

Mr IBRAHIMA BALDÉ, EITI Communications & Public relations Manager, Senegal

Mr Joe BARDWELL, Campaigns Manager, Publish What You Pay (PWYP), UK

Ms Elena BAASCH, Policy Advisor, Division IVB1, Federal Ministry for Economic Affairs and Climate Action, Germany

Mr Torge BARTSCHT, Advisor, D-EITI Secretariat, Germany

Ms Margarita BATLLE, Principal Advisor, Civil Society and Outreach, Rio Tinto

Mr Jan BOLLMANN, Junior-Advisor, Extractives for Development, GIZ, Germany

Mr Jelle BEZEMER, EITI National Coordinator, Netherlands

Ms Hannah CLAYTON, Just Transition Lead Strategy & Sustainability, bp

Ms Marième DIAWARA, National Coordinator, Senegal

Ms Sophie DONSZELMANN, Senior Program Officer, The International Council on Mining and Metals Limited, ICMM

Ms Lindsee GENTRY, Senior Issues and Advocacy Advisor, Public and Government Affairs, ExxonMobil Corporation

Ms Mareike GÖHLER-ROBUS, Advisor, D-EITI Secretariat, Germany

Mr David Benjamin HALSTENBERG, Advisor, G Ministry for Economic Development and Cooperation, Germany

Mr Jonas HENRIQUES, SENIOR ADVISOR DEBT, ANTI-CORRUPTION, TAX & DRM; Ministry of Foreign Affairs, Denmark

Mr Jan-Petter HOLTEDAHL, *Senior Adviser*, Department for Partnerships and Shared Prosperity, Section for Governance and Transparency, Norwegian Development Aid (NORAD)

Ms Nina INAMAHORO, Operations Officer, Energy & Extractives, World Bank

Mr Fred KABANDA, Division Manager, Extractives, African Development Bank | African Natural Resources Centre (ANRC), Ivory Coast

Mr Thomas MASBOU, Policy Officer, Extractives Industry Governance, Ministry of Europe and Foreign Affairs, France

Ms Aubrey MENARD, Senior Policy Advisor, Extractive Industries Transparency, Oxfam America

Mr Daniel MULÉ, Policy Lead, Extractive Industries Tax and Transparency, Oxfam America

Ms Kaouthar NAJIM, Program Manager, Federal Department for Economic Affairs, Education and Research EAER, State Secretariat for Economic Affairs SECO, Switzerland

Mr Michael NASH, EITI Secretariat, United Kingdom

Ms Emily NICKERSON, Senior Policy Advisor, Natural Resource Governance (NRCan), Canada

Mr Orji Ogbonnaya ORJI, National Coordinator, Nigeria

Mr Oleksiy ORLOVSKY, Programme Director, International Renaissance Foundation, Ukraine

Ms Felicitas PAUL, Advisor, D-EITI Secretariat, Germany

Mr Sergio PIAZZARDI, Policy Officer, Directorate-General for International Partnerships – DG INTPA, European Commission, Belgium

Mr Klaus REINHOLD, Scientific Officer, Federal Ministry for Economic Affairs and Climate Action, Germany

Ms Olivia REYNOLDS, VP Sustainability & ESG, Kosmos Energy

Ms Haley RICE, Consultant, Publish What You Pay (PWYP), UK

Ms Ricarda RÖSCH, Senior Policy Advisor, Sustainable Transformation of Supply Chains (Ref. 120), Federal Ministry for Economic Cooperation and Development (BMZ), Germany

Ms Sylvie ROUCART, Head of Tax Policy, Transparency and US tax, TOTAL

Ms Amy RUSSEL, Senior Counsel, bp

Mr Luigi SAMPAOLO, Head of Sustainable Development Strategic Frameworks and Stakeholders, Eni SpA

Mr Matt TRUMBULL, Energy Officer, Office of Policy Analysis & Public Diplomacy (ENR/EGA/PAPD), Bureau of Energy Resources, U.S. Department of State

Mr Robert SCHLOTTERER, Practice Manager, World Bank

Ms Marie-Christine SCHROEDER-VAN WAES, Senior Legal Counsel Sustainability, Legal Services Corporate (LSC), Shell International

Ms Paula VALENCIA, Senior Development Officer, Global Affairs, Canada

Mr Taco WESTERHUIS, Senior Policy Officer, Ministry of Foreign Affairs, The Netherlands