
Strengthening SOEs Governance and Responsible Commodity Trading in Latin America and the Caribbean in the context of the energy transition

In-person workshop and capacity building session

Location: Bogotá, Colombia.

Venue: [Best Western Plus 93 Park Hotel](#)

Dates: 2-3 July

Background

Latin American and Caribbean countries like Argentina, Mexico, Chile and Peru are notably among the top producers of oil, gas and minerals in the world. Furthermore, the region is endowed with large reserves of critical minerals such as lithium and copper, which are essential for the energy transition. State-owned enterprises are key players in the extractive activities in Latin America and the Caribbean and contribute significantly to their national economies. In recent years, Colombia, Mexico and Chile have signaled their intention to strengthen the role of SOEs in the exploitation of critical minerals. Moreover, several SOEs like Staatsolie and Ecopetrol are including energy transition in their strategies, either by expanding their portfolios into areas such as renewable energy, and/or by strengthening their environmental performance.

SOEs continue to face several challenges regarding transparency and governance, in particular with the call for reliable and resilient energy supply chains. One of the challenges in attaining this goal is centred on commodity trading or first trade. “First trade” describes a situation where a state (or a SOE) sells its share of physical resources from its oil, gas and mining sector, usually to commodity trading companies. The terms of this transaction are a matter of public interest and help to create a transparent and open market. Despite the size and importance of the commodity trading industry, it remains highly secretive with most companies in the industry being privately owned. This secrecy and the lack of stronger institutional settings regarding commodity trading in the region have led to recent cases of corruption against state owned enterprises in the Latin America and Caribbean region.¹

The 2013 EITI Standard required the disclosure of first trades between national oil companies and commodity traders. In 2015, a multi-stakeholder working group on commodity trading was created to guide the EITI’s work in this frontier extractives transparency issue. Concrete results to date have included the development of [Reporting Guidelines for companies buying oil, gas and minerals from governments](#). The 2023 EITI Standard has also strengthened anti-corruption requirements that can enhance SOEs governance and practices.

¹ <https://gunvorgroup.com/news/gunvor-resolves-u-s-department-of-justice-investigation-into-ecuador/>;
<https://www.justice.gov/opa/pr/former-oil-and-gas-trader-convicted-role-foreign-bribery-and-money-laundering-scheme>

Overview

The Extractive Industries Transparency Initiative (EITI), in collaboration with the State Secretariat of Economic Affairs of Switzerland (SECO) and Colombia's Ministry of Mines and Energy will host a regional workshop in Bogotá, Colombia, on July 2-3. This two-day in-person peer exchange will bring together representatives from civil society organizations, members of EITI multi-stakeholder groups (MSGs), State-Owned Enterprises (SOEs), and government agencies from the Latin America and Caribbean (LAC) region.

The objectives of the workshop are to:

1. Strengthen the understanding and analysis of commodity trading practices as well as information needs that could be included in EITI reporting processes and public debate.
2. Raise awareness of the opportunities that EITI implementation has for SOEs governance in the LAC region, in priority areas such as energy transition, anti-corruption and use of EITI data.
3. Share best practices on data disclosure by SOEs in the region involved in EITI implementation in their countries.
4. Create a platform for open dialogue between SOEs, CSOs and MSGs on how EITI implementation can help national priorities in the extractive sector, with particular focus on the role of state-owned enterprises.

Agenda

Tuesday 2 July 2024

Time	Activity	Speakers
8:45-9:00 (15 min)	Registration Arrival to the venue and registration.	EITI International Secretariat
9:00-9:30 (30 min)	Opening and welcome Welcome remarks by the Ministry of Mines and Energy, Ecopetrol and the Embassy of Switzerland in Colombia. Introduction of participants, overview of objectives, agenda, and discussion of expectations.	Speakers: Andrés Camacho Minister of Mines and Energy of Colombia (TBC) Germán González Reyes General Secretary, Ecopetrol H.E. Julien Robert Head of Economic Cooperation and Development (SECO) Embassy of Switzerland in Colombia
<i>Group Photo (10 min)</i>		
9:40-10:10 (30 min)	EITI Implementation and SOE governance <u>Objective:</u> This introductory session will provide insights on the new requirements in the 2023 EITI Standard and how EITI Implementation and data could be useful for strengthening SOE governance in the LAC region.	Speakers: Esteban Manteca Regional Director EITI International Secretariat Emmanuel Burgoa Country Officer LAC EITI International Secretariat
10:10-11:00 (50 min)	Good governance frameworks for SOEs in a shifting extractive sector <u>Objective:</u> This session will explore the critical role of accountability in good governance for SOEs operating in the extractive sector. Participants will examine key international frameworks and engage in a facilitated discussion to explore how these principles can be adapted to their specific country contexts. <u>Guiding questions:</u>	Speakers: Diego Rueda General Director, ENAMI Sylvia Restrepo Corporate Governance Manager Ecopetrol Moderator: Pamela Morales National Coordinator, EITI Argentina

	<ul style="list-style-type: none"> ▪ Why is it relevant to integrate accountability as a corporate strategy for SOEs? ▪ What are some core principles of good governance outlined in international guidelines and other relevant frameworks? ▪ How can SOEs in the extractive sector adapt these principles to their specific context? 	
<i>Coffee break (30min)</i>		
11:30-12:30 (60 min)	<p>Understanding commodity trading in the extractive sector</p> <p><u>Objective:</u> This session will provide participants with a foundational understanding of commodity trading practices in the oil, gas, and mining sectors. It will explore the key players, the commodity trading value chain, and the unique challenges associated with trading in extractive industries, particularly in the context of the energy transition. Participants will be encouraged to use other sources to complement their debate such as IISD publications on commodity trading and the 2023 Extractive Commodity Trading Report.</p> <p><u>Guiding questions:</u></p> <ul style="list-style-type: none"> ▪ How does the commodity trading value chain function in the extractive sector? ▪ What are the key challenges and risks associated with commodity trading in oil, gas, and mining? ▪ How does the energy transition impact commodity trading practices in the extractive sector? 	<p>Speaker:</p> <p>Gabriela Cano Commodity Trading Expert</p>
<i>Lunch (60 min)</i>		
13:30-14:30 (60 min)	<p>Improving commodity trading transparency: Opportunities and challenges for EITI Implementation</p> <p><u>Objective:</u> Participants will focus on identifying challenges and opportunities for enhancing commodity trading transparency in Latin America and the Caribbean region through the implementation of the EITI Standard, with specific focus on critical minerals. Participants will explore how different stakeholder groups can leverage EITI</p>	<p>Speakers:</p> <p>Andrés Hernández Executive Director Transparencia Internacional Colombia Chapter</p> <p>Andrea Lemus Senior Policy Advisor, IGF</p>

	<p>data for increasing transparency and public debate.</p> <p><u>Guiding questions:</u></p> <ul style="list-style-type: none"> ▪ What makes a mineral critical? What are the characteristics for a better governance of critical minerals? ▪ What are the specific challenges and opportunities for strengthening commodity trading transparency in LAC? 	
<i>Coffee break (30 min)</i>		
<p>15:00-16:30 (90 min)</p>	<p>Understanding commodity trading in the extractive sector: Group discussion</p> <p>This session will focus on discussing in groups the main points presented by the expert and analyse certain cases on commodity trading. Groups will discuss for 30 minutes.</p> <p>The session will continue with group presentations on the main findings of the discussion.</p>	<p>Moderator: EITI International Secretariat</p>
<p>16:30-17:30 (60 min)</p>	<p>SOEs and the energy transition: The role of the state in developing strategic minerals</p> <p><u>Objective:</u> This session will focus on presentations from the SOE mining companies in the LAC region (Colombia, Mexico, Ecuador) about their governance challenges and opportunities, with a focus on implementing effective oversight mechanisms. Participants are expected to discuss by constituency on collaborative strategies to address governance risks in the context of the energy transition.</p> <p><u>Guiding questions:</u></p> <ul style="list-style-type: none"> ▪ What are the strategic shifts on governance that have been implemented due to the energy transition? ▪ What are the different mechanisms for oversight of SOE operations, and what role do different stakeholders play? 	<p>Speakers:</p> <p>Johana Rocha Viceminister of Mines Ministry of Mines and Energy</p> <p>Patricia Gamboa Director of Research and Public Policy, COCHILCO</p> <p>Mario Alberto Campa Head of Strategic Planning, Manufacture, and Trading LitioMx</p> <p>Moderator: Esteban Manteca Regional Director EITI International Secretariat</p>
<p>17:30-17:40 (10 min)</p>	<p>Wrap-up session</p> <p>Closing remarks and next steps from day 1</p>	<p>Moderator: Sol Pérez CSO representative in Mexico</p>

Wednesday 3 July 2024

Time	Activity	Speaker
9:00 – 9:15 (15 min)	Introduction and presentation of agenda Warm-up and key takeaways of day 1	Moderator: Epifanio Baca Acción Ciudadana - Perú Emmanuel Burgoa Country officer LAC EITI International Secretariat
9:15 – 10:15 (60 min)	The role of companies in the EITI <u>Objective:</u> Companies play a key role in the implementation of the EITI. EITI supporting companies help shape implementation of the EITI Standard and govern the EITI both locally through national multi-stakeholder groups and internationally through the EITI Board. This session will provide insights on the benefits for companies joining the EITI and the Expectations for EITI Supporting Companies. <u>Guiding questions:</u> <ul style="list-style-type: none"> ▪ How can companies leverage EITI participation to go beyond compliance and build support good governance? ▪ How can companies effectively engage with civil society organizations and government representatives within the EITI multi-stakeholder groups? ▪ How can companies contribute to share best practices and ensure continued relevance of the EITI Standard? 	Speakers: Sandra Rojas Policy Officer EITI International Secretariat
10:15–11:15 (60 min)	SOE governance in LAC: Opportunities and challenges for EITI Implementation <u>Objective:</u> This session will focus on corporate governance and the importance of transparency. It will also provide SOEs with an opportunity to share best practices in corporate governance and reflect on emerging trends on these issues.	Speakers: Fernando Patzy Andean Manager, NRGi
<i>Coffee break (20 minutes)</i>		

<p>11:35 -12:30 (55 min)</p>	<p>The case for contract transparency</p> <p><u>Objective:</u> Effective 01 January 2021, the EITI Standard requires countries to disclose contracts and agreements entered into for the extraction of oil, gas and minerals. This session will aim to increase participants knowledge on the contract disclosure requirements in the 2023 EITI Standard and discuss ideas on how to overcome challenges in the implementation of this requirement.</p>	<p>Speakers:</p> <p>Fatma Nyambura Policy Manager EITI International Secretariat</p> <p>Emmanuel Burgoa Country Officer LAC EITI International Secretariat</p>
<p><i>Lunch (60 min)</i></p>		
<p>13:30-15:00 (90 min)</p>	<p>Corruption risks and commodity trading transparency</p> <p><u>Objective:</u> Participants will analyse areas vulnerable to corruption and opportunities to strengthen domestic revenue mobilization. Participants will be encouraged to complement their debate with other sources such as the 2023 Extractive Commodity Trading Report, U4 Anti-corruption resources and the OECD typology of corruption risks in commodity trading transaction.</p> <p><u>Guiding questions:</u></p> <ul style="list-style-type: none"> ▪ What are the most relevant risks that the LAC region faces in terms of corruption in the commodity trading sector? ▪ How can transparency measures in commodity trading practices help countries strengthen domestic revenue mobilization from their extractive resources? ▪ what additional measures (legal frameworks, anti-corruption agencies, whistleblower protection) are needed to effectively combat corruption in the commodity trading sector? 	<p>Speakers:</p> <p>Gabriela Cano Commodity Trading Expert</p> <p>Juan Manuel Toubes Project Manager Directorio Legislativo</p>
<p><i>Coffee break (15 min)</i></p>		
<p>15:15-16:15 (60 min)</p>	<p>Panel discussion: Best practices, learning from mistakes and transparency in the commodities sector.</p> <p><u>Description:</u> This session features a panel of experts discussing best practices, ongoing challenges, and future directions for promoting transparency in the global commodity trading sector, as well as alternatives to strengthen anti-</p>	<p>Participants:</p> <p>Mitzi St. Rose Manager, Energy Marketing and Trading, NGC</p> <p>Gabriela Cano, Commodity Trading Expert</p> <p>Patricia Gamboa</p>

	<p>corruption practices in commodity trading with the implementation of the EITI Standard.</p> <p><u>Guiding questions:</u></p> <ul style="list-style-type: none"> ▪ How can commodity trading companies contribute to greater transparency in the global market? ▪ What are some emerging initiatives or solutions that hold promise for further enhancing transparency in the commodity trading sector? ▪ What is the role of the EITI in strengthening transparency in companies engaged in commodity trading? 	<p>Director of Research and Public Policy; COCHILCO</p> <p>Representative Ecopetrol</p> <p>Moderator: Andrés Hernández Executive Director Transparency Internacional Chapter Colombia</p>
<p>16:15-17:00 (45 min)</p>	<p>Wrap-up session and next steps</p> <p>Participants will have an opportunity to interact with the speakers and between themselves on the different issues they discussed during the workshop, asking additional questions, sharing insights, etc.</p>	<p>Moderator: Johana Rocha Viceminister of Mines Ministry of Mines and Energy</p> <p>Mario Alberto Campa Head of Strategic Planning, Manufacture, and Trading LitioMx</p>
<p>19:00-21:00</p>	<p>Dinner and networking</p>	<p>EITI International Secretariat</p>

Participants

MSG members from selected LAC countries with SOEs in the extractive sector, such as **Mexico, Ecuador, Suriname, Argentina, Peru, Chile, Colombia, and Trinidad and Tobago** will be invited. The event will have simultaneous interpretation (Spanish and English). Stakeholders expected include:

- SOEs representatives involved in commodity trading.
- EITI National Secretariats
- Representatives from SOEs
- EITI International Secretariat staff
- International partners

The total number of expected participants is 30, contingent upon the agenda of participants. The EITI International Secretariat will sponsor the participation of some CSOs and National Coordinators, depending on costs and budget availability. The International Secretariat will cover for all meals during the event.

The travel policy of the EITI International Secretariat strictly adheres to an economy fare standard for flights, and participants have the option to arrange changes at their own expense. The expected number of participants by country is as follows:

Argentina

- Juan Manuel Toubes – Responsable de Proyectos, Directorio Legislativo
- Marcelo Sticco - Representante de la sociedad civil.
- Pamela Morales - Coordinadora Nacional EITI Argentina

Chile

- Ingrid Garcés – Centro Regional de Estudios y Educación Ambiental
- Patricia Gamboa - Directora de Estudios y Políticas Públicas en COCHILCO
- Pedro Zapata - NRG Chile

Colombia

- Alexander Prieto - Corporación Transparencia por Colombia
- Crudo Transparente
- Estéban Martínez – GDIAM
- Javier Alberto Mondragón Quimbay – Agencia Nacional de Minería
- Lorena Roa – Secretaría Técnica EITI Colombia
- Luisa Sarmiento - Corporación Transparencia por Colombia
- Marcela Restrepo – Foro por Colombia
- Miguel Ángel Acosta Rocha - Ecopetrol
- Ministerio de Energía y Minas
- Mónica Andrea Tangarife Pedraza - Ecopetrol
- Nathalia Marcela Guerrero Higuera – Servicio Geológico Colombiano
- Paola Quintero Manrique – Ecopetrol
- ANH

Ecuador

- Christian Arias - Coordinador Nacional de EITI
- Diego Rueda – Director General, de ENAMI
- Gabriela Suárez – Directora Ejecutiva, Grupo FARO
- Mauricio Alarcón – Director Ejecutivo, Ciudadanía y Desarrollo

México

- Beatriz Olivera - Representante de la sociedad civil
- Mario Alberto Campa - Titular de la Unidad de Planeación Estratégica, Manufactura y Comercialización; LitoMx
- Sol Pérez - Representante de la sociedad civil

Perú

- Epifanio Baca – Acción Ciudadana, representante de la sociedad civil
- Iris Olivera – DAR Perú

Surinam

- Novella Majana - Coordinadora Nacional EITI Surinam
- René Artist - Representante de la sociedad civil, Indigenous and Tribal People/Kampos
- Tosca Pinas – Representante de la sociedad civil, Tropenbos Internacional
- Vanessa Breidel – Auditora Senior, GRASSALCO

Trinidad y Tobago

- Alisa Deonanan – Analista de Políticas TTEITI
- Malini Maharaj - Representante de sociedad civil, Universidad de las Indias Occidentales
- Mitzi St. Rose – Gerente de la División de Comercialización y Comercio de Energía, NGC

Organizaciones y socios internacionales

- Fernando Patzy – Gerente para el área Andina, NRGi
- S.E. Julien Robert - Embajada de Suiza en Colombia
- Andrea Lemus – Asesora Senior de Políticas, IGF
- Manuel Ayulo – Gerente de Sostenibilidad para Latinoamérica, Trafigura.

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