

Draft terms of reference for the sub-group to monitor the implementation of the mainstreaming action plan

For decision

For discussion

For information

During the EITI Strategy discussion at the Board meeting in Oslo, it was proposed that a sub-group is established to monitor progress with regards to mainstreaming action plan. It is proposed that the Implementation Committee reviews the attached Terms of Reference.

DRAFT TERMS OF REFERENCE FOR THE SUB-GROUP TO MONITOR THE IMPLEMENTATION OF THE MAINSTREAMING ACTION PLAN

Table of Contents

| | |
|--|----------|
| Summary | 3 |
| Background | 3 |
| Sub-group objectives | 4 |
| Time schedule | 5 |
| Compositions of the working group | 5 |

Supporting documentation

Board paper 35-4-C Towards mainstreaming action plan: <https://eiti.org/document/mainstreaming-action-plan>

IC paper 16-2-A Update on the implementation of the mainstreaming action plan

Board Paper 37-2-A - Is the EITI achieving its mission?

Has the EITI competence for any proposed actions been considered?

Board paper 35-4-C Towards mainstreaming action plan, action 2.4, mandates the International Secretariat to highlight progress with mainstreaming. The TOR for the Implementation Committee mandates the Committee to oversee mainstreaming.

Financial implications of any actions

There are no financial implications of this request for the EITI International Management, other than the administrative processing. There are no costs expected outside the budget in the agreed workplan.

Document history

| | |
|---|--------------|
| Submitted to the Implementation Committee | 28 June 2017 |
| Discussed by the Implementation Committee | 5 July 2017 |
| Approval by the Implementation Committee | TBC |
| Submitted to the EITI Board (BC XXX) | TBC |

Summary

At the EITI strategy discussion at the Board meeting in Oslo, it was proposed that the Implementation Committee establishes a sub-group of the Implementation Committee to monitor the implementation of the [mainstreaming action plan](#) (IC Paper 16-2-A). Specifically, it is suggested that the group prepares a report, including recommendations to the Board, addressing the questions outlined in the strategy paper discussed in Oslo (Board Paper 37-2-A).

It is suggested that the sub-group comprises members of the Implementation Committee. The Committee may wish to invite representatives from implementing countries and from supporting organisations that are involved in supporting mainstreaming activities to participate in the meetings as observers.

Background

The adoption of the 2016 EITI Standard in February 2016 marked a milestone for the EITI by including provisions that enable mainstreamed transparency. **In short, mainstreamed transparency means that in the long term, extractive industry transparency should become an integral part of how governments manage their sector.** Rather than simply relying on the EITI reporting mechanism to bring about transparency, governments implementing the EITI should to a greater extent make the information required by the EITI Standard available through government and corporate reporting systems such as databases, websites, annual reports, portals etc. This would avoid duplication of reporting and make EITI data more widely accessible.

To achieve mainstreamed transparency, the EITI Standard has been refined to outline two possibilities for EITI disclosures:

1. **“conventional EITI reporting”** with data collection and reconciliation by an Independent Administrator; and
2. **“mainstreamed EITI reporting”** where public disclosures of the information required by the EITI Standard are made through existing government systems.

In October 2016, the EITI Board adopted a towards mainstreaming action plan. It outlines activities to be undertaken by the EITI International Secretariat, working together with supporting organisations, to accelerate the trend toward mainstreaming. The action plan has four elements:

1. Efforts to raise awareness and developing the business case for mainstreaming.
2. Targeted support to implementing countries that have agreed to prioritise mainstreaming.
3. “Practical tools for mainstreaming”, including guidance and providing access to technical expertise.
4. Policy development, including opportunities to refine the EITI Standard and Validation procedures to ensure that efforts to mainstream EITI implementation are appropriately incentivised and

Draft terms of reference for the sub-group to monitor the implementation of the mainstreaming action plan recognised.

These activities are reflected in the International Secretariat's 2017 work plan.

In June 2017, the International Secretariat prepared an update on EITI mainstreaming (see IC Paper 16-2-A). It surveys the growing awareness and interest in mainstreaming from EITI Implementing countries, and highlights several challenges, including mobilising technical and financial support, the rigidity of the agreed upon procedure, and uncertainty regarding the role of multi-stakeholder groups in mainstreamed EITI implementation.

Sub-group objectives

The sub-group is tasked with:

1. Preparing a report, including options and recommendations to the Board, addressing questions related to advancing mainstreaming as outlined in the strategy paper discussed in Oslo (Board Paper 37-2-A). This should include exploring the following issues:
 - a. With mainstreamed disclosure, what role is there for the MSG? Will it still function as a monitoring body, ensuring that the systems are maintained and that the disclosures do not fall below the standard or as a consultative body in terms of what further disclosures government or companies will take on?
 - b. Should governments consider mainstreaming multi-stakeholder dialogue, i.e. by making multi-stakeholder consultations and participation in public policy-making, e.g. in parliament, in the media, in other consultation forums, part and parcel of how the government operates?
 - c. What will happen to the recommendations for improving the sector, currently provided by the EITI Reports if there is a mainstreamed approach?
 - d. Is there a tension between the EITI as a way of holding in particular governments to account and the EITI as a platform for reforms?
 - e. How do we secure political support for mainstreaming in countries where the EITI institutions have become too powerful?
 - f. Should the "two-year rule" be revised to require more timely publication of data and encourage countries to move mainstream EITI implementation?
 - g. How can EITI data become more accessible?
 - h. Is it time to let go of reconciliation?

Draft terms of reference for the sub-group to monitor the implementation of the mainstreaming action plan

Upon completion of the report, the Implementation Committee might decide that the sub-group should be tasked with exploring further issues related to mainstreaming.

Time schedule

It is suggested that the group meets in July, as soon as possible after agreeing the terms of Reference. The group would then agree a schedule that would enable the report to be prepared for the Board Meeting in Manila.

Compositions of the working group

It is suggested that the sub-group comprises members of the Implementation Committee. The Committee may wish to invite representatives from implementing countries and supporting organisations that are involved in supporting mainstreaming activities to participate in the meetings as observers.