

REPUBLIEK SURINAME



Suriname EITI (SEITI) Work plan 2016 – 2018

Revised April 30, 2017

INTRODUCTION

This first SEITI Work plan has been drafted for the period of 2016-2018 by the SEITI Multi-Stakeholder Group (MSG) in line with the 5-step approach proposed in the EITI 'Guidance Note 2: *Developing an EITI Work plan*', taking into account the immediate relevance of the EITI in the context of Suriname and practical constraints for initial SEITI implementation.

A main challenge in the contextualization of the EITI process in Suriname is the lack of formal, comprehensive and clearly defined government and/or national priorities regarding the extractives industries. The government is still in the process of developing a national policy strategy for the mining sector, with support from the Intergovernmental Forum on Mining and the World Bank. There is no overall National Multi-Annual Development Plan. The Multi-Annual Development Plan is an official document required by Parliament to approve annual budgets. The last Plan expired at the end of 2016, and the plan for 2017 – 2021 has yet to be tabled in Parliament. In the draft Plan, which has already been approved by the Council of Ministers, the Government clearly states its commitment to joining EITI and embedding the EITI process in a legal framework that will also establish a broad Minerals Institute (page 77 & 78). Other policy goals for the extractive industries include:

- Diversification of the economy (including restart of the bauxite industry)
- Formalization of the ASM-sector
- Minimizing the environmental impact of mining activities, for example through the encouragement of mercury-free mining
- Continued investment in large mining projects
- Sustainable management of revenues from the extractive industries.

Other formal policy documents make little mention of specific policy priorities for the extractive industries. The Government Statement 2015 – 2020 emphasizes the importance of diversification of the economy, stating that “the revenues from non-renewable sectors bauxite, oil, and gold, will be allocated in such a way that they can be used for renewable agricultural sectors [...], tourism, industry, services and international trade” (page 9). The Stabilization and Recovery Plan 2016 – 2018 discusses in some detail the role of the falling natural resource revenues (among other factors) in the current financial and economic crisis in Suriname, and recognizes that the government finance systems lacks a system for channeling extra revenues from (for example) temporary price peaks into a mechanism such as a Saving- and Stabilization Fund, instead of into the general budget. This Plan also describes Government's expectations for increased revenues from oil and gold in 2016 and 2017, and states that the government intends to continue and increase investment in oil, gold and bauxite.

At the April 2016 National EITI symposium, the Minister of Natural Resources publicly announced Suriname's commitment to EITI, on behalf of the Government. In his speech, he declared the government's commitment to ensure that the countries natural resources are effectively deployed for the development of Suriname, and their commitment to practice good governance, transparency and accountability in policy.

Because there are no official, defined policy goals for the extractives sector yet, this Work Plan focuses more on the basic elements needed for EITI implementation.

The overall goal of the SEITI Work plan 2016 – 2018 is therefore “to implement the EITI in an effective and efficient manner through building up organization, structure, knowledge, skills and capacity of participants, and to attain EITI compliant status.” A main starting point is that the initial work plan should be realistic and feasible, given the fact that this is the first EITI Report and Validation, in a period of just 2 years. Another main principle is the regular review and revision of the Work plan.

The general objectives of the first SETI reporting cycle are:

1. Complete the required steps for EITI Candidacy;
2. Prepare, complete and validate the EITI Reconciliation Report;
3. Share information about EITI implementation in a timely and easily accessible manner with various stakeholder groups;
4. Achieve conditions for sustainable SEITI implementation.

The SEITI MSG will incorporate in its first report the following main items in accordance with the requirements 2-7 of the EITI standards of 2016. Besides these more 'instrumental' objectives, the MSG has identified a number of technical issues and considerations that will be addressed in the first SEITI reporting cycle, based on a brief assessment of the challenges and issues along the EITI Value Chain for specific sub-sectors of the extractive industries (see Annex 1). These issues need to be addressed in the various activities that come forth out of the above mentioned objectives.

These issues are:

1. The necessity of including information on both Government and Company expenditures related to social/community projects and Corporate Social Responsibility projects.
2. A section discussing the environmental and social impacts of the extraction activities.
3. Inclusion of information on the entire chain of decisions, including mineral agreements, licenses, ownership concessions, revenue management and investments for sustainable development for the **first** SEITI Report.
4. Make an assessment of the additional elements of the mining sector to determine how they may be integrated into future SEITI reports.
5. Removing obstacles for inclusion of the related construction materials sector in the **second** SEITI Report.
6. The importance of embedding the SEITI-process within a comprehensive, inclusive, national strategy for the extractive industries in Suriname..

Monitoring of the Work Plan

The MSG will review and adjust the work plan at least once every six months, using a review matrix. Based on the review, the activities and timeline can be adjusted.

OBJECTIVE 1: COMPLETE THE REQUIRED STEPS FOR EITI CANDIDACY BY THE END OF 2016

Expected outputs	Activities	Responsible Party	Indicative Cost (USD) & financing source	Notes	By when
1.1 Public Declaration by Government of intention to implement EITI	1.1.1 Minister of Natural Resources makes an official statement	Min NR	N/A	Update Oct 2016: The intention was expressed publicly in November 2015 (Democracy Month), and in February 2016 (EITI Conference), and formally stated in April 2016 (EITI Symposium).	Completed
	1.1.2 Government sends a letter to the EITI Board	Min NR	N/A	Update Oct 2016: Government has since issued a letter headed to Mr. Fredrik Reinfeldt (Chair of the EITI Board) expressing intention to implement EITI	Completed
1.2 Appointment of an EITI Champion by Government	1.2.1 Government formally appoints an individual as EITI Champion (Lead Implementer)	Min NR	N/A	Update Oct 2016: the Permanent Secretary of the Ministry of Natural Resources, Mr. Dave Abeleven was named to Lead EITI implementation in Suriname	Completed
1.3 Formal establishment of a self-selected and representative MSG	1.3.1 Hold a symposium to inform stakeholders and secure commitment	Min NR	14,500 (funded by SEMIF ¹)	Update: symposium held on April 29, 2016	Completed
	1.3.2 Hold a workshop to discuss SEITI/MSG appointment, tasks, roles and responsibilities	Min NR		Update: workshop held on June 17, 2016	Completed

¹ SEMIF = Suriname Environmental and Mining Foundation. SEMIF manages social development funds for EI companies. Their website: <http://www.semif.net/>

	1.3.3 Conduct meetings of EITI MSG Candidates to discuss and finalize structures, roles, and responsibilities of the SEITI	Min NR		Pre MSG installation meetings held from August 2016. ToR approved in Q4	Completed
	1.3.4 Formally install the MSG	Min NR	N/A	Establishment formalized by Decree of the Council of Ministers	Completed
1.4 Adoption of a SEITI Work Plan	1.4.1 Conduct meetings of EITI MSG candidates/ members to draft, discuss, and finalize the work plan	MSG	Operational costs of the MSG and Secretariat, covered by Gov't	The adopted work plan needs to be submitted	Completed
	1.4.2 Submit formal application for candidacy to EITI International Secretariat	Min NR	N/A	The application was submitted in March 2017	Completed

OBJECTIVE 2: PREPARE, COMPLETE AND VALIDATE THE EITI RECONCILIATION REPORT

Expected Outputs	Activities	Responsible Party	Indicative Cost (USD) & financing source	Notes	By when
2.1 The scope and level of materiality have been determined	2.1.1 Conduct a series of meetings with stakeholders to discuss and determine the level of materiality	MSG	5,000 (request EGPS Trust Fund)	This will determine which companies will be involved in the EITI report. Although the intention is that all EI companies that contribute significantly to the national economy are captured, the MSG realizes that there are challenges to data collection in the mining sector and the construction materials sector regarding data collection for all aspects of the value chain. These challenges will be addressed in a separate activity.	2017 Q2
2.2 Substantial measures have been taken to ensure disclosure of beneficial ownership information	2.2.1 Prepare, implement and monitor a roadmap for disclosure of beneficial ownership information	MSG	(Costs included in other activities, or included in running / operational costs of MSG & Secretariat)	A sub-group of the MSG will draft a roadmap for discussion in the larger group. Certain actions needed to implement the roadmap, could/will be a part of other activities in this work plan, such as determining the tasks of the IA (Act 2.4.1), reviewing the legal and regulatory framework (act. 4.1), data collection by the IA (2.5.4), studies (2.3)	Roadmap drafted by Q3 of 2017. Implemented by Q4 of 2018.

2.3. Studies have been conducted to enhance the scope for future SEITI reports and/or to prepare for the 2 nd SEITI period in general	2.3.1 Design and implement studies and formulate recommendations on key issues	MSG	50,000 (request EGPS Trust Fund and Government)	Key issues already identified: <ul style="list-style-type: none"> - Scope and characteristics of elements of the artisanal and small-scale mining sector - How to measure and report on the environmental and social / community outcomes and impacts of the EI - Possibilities for inclusion of the construction materials sector - Mining title management - Modernizing the mining cadastre, including information on beneficial ownership - Technical capacity in government and (especially smaller/ASM) companies to collect, manage, organize and present financial data 	2017-Q1-2018-Q4
2.4 Reporting templates and mechanisms have been designed and are impl. by companies and government	2.4.1 Procure technical assistance in the drafting of templates and data collection and reporting mechanisms	MSG	25,000 (request EGPS Trust Fund, or use available assistance from the WB & EITI International Secretariat)	Use technical assistance from the WB & EITI International Secretariat	2017-Q2
	2.4.2 Facilitate a series of MSG meetings to discuss and approve templates and mechanisms	MSG	Operational costs of the MSG and Secretariat, covered by Gov't		2017-Q3
	2.4.3 Assess and strengthen capacity of government and	MSG			2017-Q3

	companies to use templates and mechanisms				
	2.4.4 Government and companies provide data, using agreed template and mechanisms	Government (Min Fin, Min NH, and others) & EI Companies	N/A		2018-Q1
2.5 A SEITI Report has been produced by an Independent administrator and approved by the MSG	2.5.1 Prepare ToR for the Independent Administrator	MSG	Operational costs of the MSG and Secretariat, covered by Gov't	Selection of the Independent Administrator to be based on a transparent bidding process, based on a TOR approved by the MSG. The service contract will be with the Min NR, for legal purposes. International auditing standards will be applied	2017-Q2
	2.5.2 Select IA	MSG	Operational costs of the MSG and Secretariat, covered by Gov't		2017-Q3
	2.5.3 Appoint IA	MSG	Operational costs of the MSG and Secretariat, covered by Gov't		2017 Q3
	2.5.4 Independent Administrator collects and analyzes data and drafts and finalizes SEITI report	IA	50,000 (request EGPS Trust Fund)	Costs are for the service contract with the IA	2018-Q3
	2.5.5 Discuss, comment on and approve SEITI report	MSG	Operational costs of the MSG and Secretariat, covered by Gov't		2018-Q3
2.6 The SEITI Implementation has been validated	2.6.1 Contract validator to undertake validation of EITI implementation in Suriname	International EITI secretariat	60,000 (request EGPS Trust Fund)	Validator to be selected by the MSG from the OSLO pre-approved list of validators	2018-Q4

OBJECTIVE 3: SHARE INFORMATION ABOUT SEITI IMPLEMENTATION IN A TIMELY AND EASILY ACCESSIBLE MANNER WITH VARIOUS STAKEHOLDER GROUPS

Expected outputs	Activities	Responsible Party	Indicative Cost (USD) & financing source	Notes	By when
3.1 A communications scoping study and outreach strategy has been designed	3.1.1 Contracting of consultant / communications specialist to design a communications and outreach strategy	MSG	20,000 (request EGPS Trust Fund)	Special attention should be paid to communication with communities directly affected by the extractive industries	2017 Q2
3.2 A communications and outreach strategy has been implemented	3.2.1 Editing, layout, design, and copy of the work plan, (popular versions of the) Reconciliation Report and Validation Report		150,000 (request EGPS Trust Fund)		2017 Q1 -2018 Q4
	3.2.2 Design, set up and maintain a SEITI website and social media outreach			Before the SEITI has its own website, the Ministry of Natural Resources will include a new, separate section in its website, where all initial documents, e.g. this work plan can be published before the end of May 2017. The MSG will also open a Facebook page to keep the general public informed.	
	3.2.3 Draft / Design popular versions of the EITI Reconciliation Report and the Validation Report				

	3.2.4 Create audio- and/or –visual products				
	3.2.5 Conduct information sessions or workshops with communities and Stakeholder group constituents				
	3.2.6 Draft press releases and newspaper articles				
	3.2.7 Organize stakeholder workshops to discuss the EITI report				
3.3 Media workers have been trained to report on SEITI and other issues of the extractives industry	3.3.1 Conduct workshops and training sessions for media workers on SEITI implementation and other issues	MSG	25,000 (request EGPS Trust Fund)		2017 Q1 -2018 Q4

OBJECTIVE 4: REALIZE CONDITIONS FOR SUSTAINABLE SEITI IMPLEMENTATION

Expected Outputs	Activities	Responsible Party	Indicative Cost (USD) & financing source	Notes	By when
4.1 Legal and regulatory frameworks for EITI reporting are in place	4.1.1 Review legal and regulatory framework to identify potential obstacles to SEITI implementation and draft recommendations for new / amended policy, laws and regulations	MSG	50,000 (request EGPS Trust Fund)	Cost is for the appointment of a legal expert to undertake a legislative audit on relevant laws and regulation, and to draft recommendations for new or amended policy, laws and regulations, as well as recommendations for specific legal and regulatory capacity strengthening of companies and government. Recommendations will be approved by SEITI MSG before further elaboration. Special attention should be paid to revision of legal and regulatory frameworks for confidentiality of information, disclosure of beneficial ownership information, as well as options for special agreements to ensure disclosure of information needed for the EITI report.	2017 Q2
	4.1.2 Draft, discuss, and finalize elaborated recommendations to Min NR	MSG	50,000 (request EGPS Trust Fund or SEMIF)	Costs are for legal experts, experts committees, and stakeholder consultations. Include embedding EITI principles in the new Mining Legislation, and based on a comprehensive, inclusive, national strategy for the extractive industries.	2017 Q3

	4.1.3 Present final draft law to MSG for review and final comments	Min NR	Operational costs of the MSG and Secretariat, covered by Gov't	MSG gives consent on final draft laws	2018
4.2 A mechanism has been established for funding of EITI implementation	4.2.1 Draft and submit proposal to the World Bank and/or EITI Multi-Donor Trust Fund	Min NR	Operational costs of the MSG and Secretariat, covered by Gov't	Funding work plan 2016-2018	2016 Q4
	4.2.2 Draft and submit financing proposals to other potential funding partners (IADB, UNDP, DFID)	MSG	Operational costs of the MSG and Secretariat, covered by Gov't	Funding work plan 2016-2018	2016 Q4
	4.2.3 Ensure financing mechanisms for financing of sustainable SEITI implementation	Min Fin	To be determined	Funding sustainable SEITI implementation through e.g. earmarked payments from extractive companies (part of the legal framework (4.1.1), as well as incidental fundraising costs	2018 Q4
4.3 The SEITI Secretariat has been established and is operational	4.3.1 Define and approve roles and responsibilities SEITI Secretariat (Head and staff)	MSG	Operational costs of the MSG and Secretariat, covered by Gov't	Head and staff are administrative personnel of BIS who will functionally report directly to the MSG.	2016 Q4
	4.3.2 Capacity assessment of SEITI Secretariat	MSG	N/A (TA by the World Bank)	Assessment of knowledge, skills and logistical capacity to support the SEITI implementation process. Carried out by the World Bank	2017 Q1
	4.3.3 Formally appoint after MSG approval the SEITI Secretariat head and staff	Min NR	N/A		2017 Q1
	4.3.4 Capacity building SEITI Secretariat to effectively support the MSG and SEITI implementation process	MSG/Head SEITI Secretariat	15,000 (request EGPS Trust Fund)	The exact content of the training TBD by the capacity assessment. It could include knowledge on EITI rules and procedure, but also practical organizational skills.	2017 Q1-2017 Q4

	4.3.5 Procure equipment and facilities	Min NR	TBD (funded by Government)	e.g.:office equipment and facilities such as laptops and internet services financed by Government	2017 Q1-2018 Q4
	4.3.6 Manage and operate the SEITI Secretariat	SEITI Secretariat	Operational costs to be funded by government	Operational costs (salaries & equipment) for the staff of the SEITI Secretariat for the 2-year period financed by Government as well as external financial and technical experts.	2017 Q1-2018 Q4
4.4 Increase the understanding and capacity of the MSG to fulfill their respective roles within the SEITI process	4.4.1 Organize information exchange events between the MSG and countries similar to Suriname successfully implementing the EITI	MSG	75,000 (request EGPS Trust Fund)	Organize 2 study tours to Trinidad (8 persons) and Ghana (8 persons) with the support of the International and Local EITI Secretariats/ Sharing experiences and lessons learned to take place using virtual/digital methods, as well invitation of speakers (if deemed necessary).	2017 Q1-2017 Q4
	4.4.2 Recruit and support Chair for the MSG	MSG, Min NR	10,500 (estimate) Funded by Min NR	Costs for advertisements for recruiting & for remuneration of the Chair	2017 Q2 – 2018 Q4
4.5 Follow-up actions have been taken, based on recommendations for improvement issued by the / Independent Administrator.	4.5.1 Activities to be determined following recommendations in EITI report	MSG SEITI Secretariat	15,000 (request EGPS Trust Fund)		

TOTAL COST USD 585,000.- (excluding operational & running costs for Secretariat & MSG, to be covered by the government)

TIMELINE FOR SEITI IMPLEMENTATION

Activity/Implementation period	2016/Q3	2016/Q4	2017/Q1	2017/Q2	2017/Q3	2017/Q4	2018/Q1	2018/Q2	2018/Q3	2018/Q4
1.1.1 Minister of Natural Resources makes official statement	completed									
1.1.2 Government sends a letter to the EITI Board	completed									
1.2.1 Government formally appoints an individual as EITI Champion (Lead Implementer)	completed									
1.3.1 Symposium to inform stakeholders and secure commitment	completed									
1.3.2 Workshop to discuss SEITI/MSG appointment, tasks, roles and responsibilities	completed									
1.3.3 NSG Meetings to discuss and finalize structures, roles, and responsibilities of the SEITI	completed									
1.3.4 Formally install the MSG	completed									
1.4.1 Draft, discuss, & finalize work plan (by MSG)	completed									
1.4.2 Submit formal application for cand.status			x							
2.1.1 Meetings with stakeholders to discuss and determine the level of materiality				x						
2.2.1 Prepare, implement and monitor a roadmap for disclosure of beneficial ownership information			x	x	x	x	x	x	x	x
2.3.1 Design and implement studies and formulate recommendations on key issues			x	x	x	x	x	x	x	x
2.4.1 Procure TA for templates for data collection and reporting mechanisms				x						
2.4.2 MSG meetings: discuss / approve templates and mechanisms					x					
2.4.3 Government and companies report data, using agreed template and mechanisms							x			
2.5.1 Prepare ToR IR							x			
2.5.2 Select IR								x		
2.5.3 Appoint IR								x		
2.5.4 Independent Administrator collects and analyzes data and drafts and finalizes SEITI report									x	
2.5.5 Discuss, comment on and approve SEITI report									x	
2.6.1 Contract validator of EITI implementation										x
3.1.1 Contracting of consultant / communications specialist				x						
3.2.1 Editing, layout, design, & copy work plan, (popular versions of the) Reconciliation Report, Validation Report			x	x	x	x	x	x	x	x
3.2.2 Design, set up and maintain a SEITI website and social media outreach										
3.2.3 Draft / Design popular versions of the EITI Reconciliation Report and the Validation Report										

Activity/Implementation period	2016/Q3	2016/Q4	2017/Q1	2017/Q2	2017/Q3	2017/Q4	2018/Q1	2018/Q2	2018/Q3	2018/Q4
3.2.4 Create audio- and/or –visual products										
3.2.5 Conduct information sessions or workshops with communities and stakeholder groups										
3.2.6 Draft press releases and newspaper articles										
3.2.7 Organize stakeholder workshops for EITI report										
3.3.1 Workshops and training for media workers			x	x	x	x	x	x	x	x
4.1.1 Review legal and regulatory framework, draft recommendations for new / amended policy, laws and regulations				x						
4.1.2 Draft, discuss, and finalize elaborated recommendations to Min NR					x					
4.1.3 Present final draft law to MSG for review and final comments							x	x	x	x
4.2.1 Draft and submit proposal to the World Bank and/or EITI Multi-Donor Trust Fund		x								
4.2.2 Draft and submit financing proposals to other potential funding partners (IADB, UNDP, DFID)		x								
4.2.3 Ensure financing mechanisms for financing of sustainable SEITI implementation										x
4.3.1 Define and approve roles and responsibilities SEITI Secretariat		x								
4.3.2 Capacity assessment of SEITI Secretariat			x							
4.3.3 Formally appoint SEITI Secretariat head and staff			x							
4.3.4 Capacity building SEITI Secretariat			x	x	x	x				
4.3.5 Procure equipment and facilities			x	x	x	x	x	x	x	x
4.3.6 Manage and operate SEITI Secretariat			x	x	x	x	x	x	x	x
4.4.1 Information exchange events between the MSG and TTEITI; study tours for MSG			x	x	x	x	x	x	x	x
4.4.2 Recruit & support MSG Chair				x	x	x	x	x	x	x
4.5.1 Activities TBD determined following recommendations in EITI report										

ANNEX 1. Draft assessment of data sources, issues and challenges for SEITI implementation

EITI VALUE CHAIN	Contracts & Licenses	Production	Revenue Collection	Revenue Allocation	Social & Econ contribution		Comments
EITI requirements	Requirement 2: Legal and institutional framework, including allocation of contracts and licenses	Requirement 3: Exploration and production	Requirement 4: Revenue collection	Requirement 5: Revenue allocations	Requirement 6: Social and economic spending	Requirement 7: Outcomes and impact	
EXTRACTIVE SUB-SECTOR							
I. Oil & Gas	<ul style="list-style-type: none"> Petroleum law Concessions Staatsolie Production Sharing Contracts with IOCs Publication of Model PSC 	Published in audited annual financial reports	PRIORITY Tax and dividend payments to Govt published in audited annual financial reports. Issue: 'verrekeningen/ settlements' with gov't	Not easily measureable (all revenues go to central gov't budget)	<ul style="list-style-type: none"> Staatsolie Community Development Fund Staatsolie Sports Fund CSR projects IOCs Other? 	PRIORITY Issue: Environment	Staatsolie is the only concession holder, and so far the only producer.
II Mining – under Mineral Agreements	PRIORITY <ul style="list-style-type: none"> Brokopondo Ovk Mineral Agreements JV/ Participation agreements 	MNC reporting to BIS, GMD, ...	PRIORITY	Not easily measureable (all revenues go to central gov't budget)	<ul style="list-style-type: none"> MNC CSR contributions 	PRIORITY Issue: Community	<ul style="list-style-type: none"> Suralco Surgold (Newmont) GRM
III Mining – under licenses/ concessions	PRIORITY Public register/ Cadastre GMD	<ul style="list-style-type: none"> ASM Data available? Grassalco reports 	<ul style="list-style-type: none"> ASM Data available? Grassalco reports 	Not easily measureable (all revenues go to central gov't budget)		PRIORITY Issue: <ul style="list-style-type: none"> Environmental impacts Social/ Community impacts 	<ul style="list-style-type: none"> ASM Grassalco Excl. bouwmaterialen