

Publish What You Pay Global and Africa Steering Committee Meetings 5 - 6 August 2014 / MINUTES

Global Steering Committee (GSC)

Cecilia Mattia, NACE-Sierra Leone (Anglophone Africa representative)
Marc Ona, NGO Brainforest, Gabon (Francophone Africa representative)
Taran Diallo, Guinean Association for Transparency, Guinea (Africa Steering Committee representative)
Ian Gary, Oxfam America, USA (North America/Europe representative)
Suneeta Kaimal, Natural Resource Governance Institute, USA (Donor representative)
Brendan O'Donnell, Global Witness, UK (Donor representative) *by phone*
Aroa de la Fuente, FUNDAR, Mexico (Latin America representative)
Maryati Abdullah, PWYP Indonesia, Indonesia (representing Cielo Magno, Bantay Kita, Philippines, Asia-Pacific representative)

Africa Steering Committee (ASC)

Chair Gilbert Maoundonodji, Groupe de Recherche Alternatives et de Monitoring du Projet Pétrole Tchad, Chad (Central Africa representative)
Jean Claude Katende, ASADHO, DRC (EITI Board Member)
Ali Idrissa, Réseau des Organisations pour la Transparence et l'Analyse Budgétaire, Niger (EITI Board Member)
Taran Diallo, Guinean Association for Transparency, Guinea (Francophone West Africa representative)
Faith Nwadishi, PWYP-Nigeria (EITI Board Member)
Steve Manteaw, Integrated Social Development Centre, Ghana (Anglophone West Africa Representative)

PWYP Secretariat

Marinke van Riet, International Director
Stephanie Rochford, Programme Assistant
James Royston, Advocacy Officer

Invitees

Richard Bennett, independent consultant
Mark de la Iglesia, Open Society Foundation

Apologies

Ali Al-Mahaweelee, Rafiday Al Iraq Al Jadeed Foundation, Iraq (GSC Middle East & North Africa representative)
Bubelwa Kaiza, PWYP Tanzania, Tanzania (ASC East and Southern Africa representative)
Cielo Magno, Bantay Kita, Philippines (GSC Asia-Pacific representative)
Aziya Kurmanbayeva, Aikyndyk, Kazakhstan (GSC Eurasia representative)

1 Summary of Key Actions and Decisions

- Following a presentation and discussion of the operational assessment of the PWYP international Secretariat undertaken by Richard Bennett as an independent consultant, the Global and Africa Steering Committees agree that the PWYP international Secretariat should move towards setting up as an independent institutional structure based in the UK.
- The remit of a transition committee of volunteers was agreed, and the committee members identified, to work with the International Director to take forward key aspects of the work of the transition. The committee members are Taran Diallo, Ian Gary, Suneeta Kaimal and Cecilia Mattia.
- The transition committee will meet in person before the end of 2014 to review the draft governance documents for the independent entity of PWYP based on which a consultation plan will be put in place before the next meeting of the GSC/ASC.
- PWYP members will be consulted for input on the proposed governance structure of the independent entity via a communique outlining the proposed move towards a registered PWYP which will be able to better support the implementation of Vision 20/20.
- Responding to the findings of a recent mission by the PWYP International Director and Eurasia Regional Coordinator, the Global Steering Committee has agreed with the recommendation that no current coalition in Kazakhstan meets the membership criteria of PWYP, following serious governance and coalition challenges that have not been resolved despite numerous efforts of both local partners and the PWYP Secretariat. Consequently no coalition in Kazakhstan will be a PWYP affiliated coalition and Aziya Kurmanbayeva was asked to step down as the Eurasia representative. A new representative will be elected at the upcoming Eurasia regional meeting.
- Due to the already significant workload of the Secretariat, and the reduced capacity following the departure of the Africa Programme Manager, the Africa and International Coalition Strategy meetings, planned for May 2015, are postponed for the time-being pending clarification of key objectives and fundraising opportunities and will be discussed further at the next GSC/ASC meeting.
- The next GSC/ASC meeting will be scheduled for late January/early February 2015. The governance documents for the independent entity should be circulated in advance and validated at this meeting.

2 Welcome and introductions

Members were welcomed to this second joint meeting of the Africa and Global Steering Committees and the agenda was adopted. It was noted that, among the apologies, Ali Neema was not able to get his visa due to the instability in Iraq; Bubelwa Kaiza was not able to get his visa on time due to delays with the invitation letter; and Aziya Kurmanbayeva did not attend due to extraordinary circumstances involving the coalitions in Kazakhstan (an item for discussion on the agenda with the GSC).

3 Presentation and discussion of strategic and operational assessment

Richard Bennett presented the background to the terms of reference for his work (covering both an operational assessment and a review of the roles and functions of the PWYP Secretariat) and went on to summarise the findings thus far.

In terms of the roles and functions of the secretariat, Richard highlighted that the secretariat has expanded rapidly, and continues to change. The basic direction of travel is well attuned to the needs of the coalition but some fine-tuning is needed, primarily in deepening discussion of priorities and balance in the International Director's role; and in recognising the need for investment in the basic systems, administration, funding and staffing required for a coalition of PWYP's size and complexity. The essence of the secretariat's role is in facilitating, enabling and coordinating the members to deliver the Vision 20/20 strategy, rather than in directly delivering the strategy itself. This enabling role 'trumps' other objectives if and when a potential dilemma arises on which direction the secretariat should take.

There was broad consensus from the committee that the position of the International Director needs to be re-articulated to emphasise management of the secretariat, and that the secretariat's role is principally an enabling one. It was acknowledged that the current system of oversight by the GSC of the International Director role is not sufficiently developed to be as effective as it should be. The discussion also touched on the question of representation by the secretariat of the coalition and it was agreed that PWYP needs to find a process by which it can articulate an agreed common position. These issues will be pursued as the transition process proceeds through the drafting of the governance documents; and in the revision of some existing roles in the secretariat, and the addition of new roles suggested by the consultant. These include a director of Finance and Administration and the formation of a Management Team within the secretariat (consisting of the International Director, Programme Manager and Finance and Administration Director).

Based on the findings related to his research on the operational aspect of the PWYP Secretariat, Richard Bennett recommended that PWYP becomes an independently registered, rather than hosted, organisation, remaining in the UK for the time being. Some committee members raised concerns about whether or not they had a mandate for moving forward based on the findings, without further consultation with the members. Other committee members reiterated that a clear mandate to take decisions has been given by members to both the ASC and GSC, and Richard Bennett emphasised the wide-ranging nature of his consultation (including interviews with numerous national coordinators as well as committee members).

Further questions were raised about whether the committee had enough information to agree that the Secretariat should move towards an independent entity. Again, it was reiterated that the lack of information to inform a decision was raised at the first GSC

meeting (Sydney, 2013) when it was decided to engage a consultant to detail the pros, cons and options available; and it was again discussed at the second GSC meeting (Paris, 2014) when Richard Bennett attended the meeting as part of his research. It was agreed in light of this that the committees therefore have both the mandate, sufficient time to consider, and the information required to agree that PWYP should move to become an independently registered organisation, with further consultation to take place on the appropriate governance structure to advance PWYP's Vision 20/20 strategy.

Key issues identified for further discussion as the transition process proceeds include:

- the future role of the Secretariat as a grant maker or as a joint fundraising partner with member coalitions, including clear criteria to avoid competition with and favouritism among members;
- revision of the job framework, including effective oversight and line management, of the International Director (noting that this person is employed, not elected);
- elaboration on the role of the Secretariat in coordinating the civil society board member elections process for the Extractive Industries Transparency Initiative (EITI) international board;
- the development of a clearer communications strategy for the coalition as a whole;
- the development of a governance structure with rules and norms that apply in all regions, and the separation of governance and technical roles;
- clarification on how national and international advocacy strategies inform and support each other and where responsibility will lie (with Secretariat or members) to enhance this;
- the sustainability of PWYP as an independent rather than a hosted entity, particularly in relation to fundraising.

4 Designing a new governance system

The Africa and Global Steering Committees plus International Secretariat representatives were divided into two groups to address five critical questions to consider in designing a governance structure. After a detailed discussion, the groups came together to present their recommendations for the new governance structure. The broad consensus is for a two-tier system, comprising a small board with specific competencies to meet the legal requirements under UK law, and with legal and financial responsibility for implementing decisions whose membership may include PWYP members and external people; and a larger Global Steering Committee (which would be an elected body with responsibility for the policy and advocacy direction of PWYP's work and for driving the strategy forward). The proposed governance structure will be communicated for consultation to all members so that there is ample opportunity for feedback from the membership. It was agreed that a transition committee should be set up, with defined responsibilities relating to ensuring progress on the transition itself.

5 Transition phase and next steps

The objective of the next session was to agree the transition committee's terms of reference, to identify the committee members and to highlight key deadlines in the transition process.

The following are the agreed key areas of focus for the transition committee to provide input to and review work by the International Director and a consultant to:

1. Design the supporting governance principles and structures, and the articles of association, with legal and consultancy support. This may include proposing incentives and sanctions to implement the governance standards at national level;
2. Review the role of the International Director, ensuring an up to date job description which draws on the experience of the last three years, takes into account changes resulting from the transition and deals with the line management arrangements vis a vis a new governance set-up of PWYP;
3. Write a new set of job descriptions for the Secretariat staff where appropriate and applicable;
4. Further refine the criteria for joint fundraising including eligibility and linking it to governance and membership standards ;
5. Assist in ensuring that the necessary financial resources are available to enable a smooth transition and keep the transition on track vis-à-vis the deadline of August 2015.

The transition committee has been mandated by the GSC and ASC to make progress on the areas identified above.

The following are the proposed next steps for the various bodies involved in the transition.

Secretariat

- Employ a transition project manager to take charge of the operational aspects of the transition (to be overseen by the International Director);
- Play a key role in designing the new governance structure with both legal support and external support to assist in designing a good governance manual with terms of reference and responsibilities/codes of conduct outlined for the governance bodies.

Transition committee

- Review and comment on governance/constitutional aspects as well as job descriptions, particularly as they relate to new governance structure;
- Monitor progress of transition project manager via a monthly report.

GSC/ASC

- Monitor progress on the transition as appropriate through contact with the transition committee on the development of the governance/constitutional aspects;
- A key part of agenda for next GSC/ASC meeting needs to include oversight and hopefully sign-off on draft governance documents.

Once the communique is issued to the members centrally from the Secretariat, the GSC and ASC, as well as national coordinators, should take responsibility for actively consulting with

their constituencies via the opportunities that present, such as regional or national meetings.

6 Open sessions

Three open sessions were incorporated into the meeting agenda to encourage peer-learning through experience sharing and to foster wider engagement with the PWYP US coalition, as well as with other PWYP members who were in Washington to attend the US Africa Leaders' Summit, in designing a new PWYP campaign.

Aroa de la Fuente, GSC representative for Latin America, shared the experiences of her region in developing a post-extractive approach to the governance of the mining sector; and Jana Morgan, PWYP-US coordinator, presented on progress on the campaign for a robust rule to implement section 1504 of the Dodd-Frank legislation on disclosure of payments for natural resources by US listed companies.

Attendees then participated through a working lunch to develop ideas and strategies for the next PWYP advocacy campaign. They shared experiences of previous campaigns, including specific tools for successful advocacy, as well as identified potential topics for a new global campaign (including specific companies, governments and financial and regional bodies). A calendar of upcoming events was identified around which specific advocacy campaigns could be designed. The Secretariat suggested that the 'Catalyse a Campaign'¹ programme, originally launched in autumn 2013 but with little take-up, could be re-launched in order to develop some of the potential campaign moments linked to the calendar (please see Annex A for the calendar of dates).

7 Progress report and finances (GSC only)

The Secretariat is making good progress against its objectives as set out in the Roadmap 2014/2015, but particular challenges remain around recruitment and grant-making. The departure of the Africa Programme Manager is particularly noted as well as the lengthy process required to recruit a new Programme Manager. The committee congratulated the Secretariat on the work achieved to date, in particular the significant improvement in financial reporting.

The committee raised concerns about the workload of the Secretariat in light of the transition process and the lack of capacity to organise an international meeting in the transition period. It was suggested that PWYP might be able to postpone the international meeting to late 2015 or 2016 in order to be able to ensure adequate capacity and funds to

¹ Catalyse a Campaign was an initiative by the International Secretariat aiming to offer sustained communications support to a coalition for a set period of time and for a specific campaign. For example, providing an online space for a campaign, mobilising an audience for global petitions or offering support for communications at the national level. The pilot was launched in January 2014 but was postponed due to a low level of response.

organise it. It was suggested that the international meeting be made smaller than the previous one and that the objectives be clarified. The delay to the Africa meeting was also raised as a concern, as this has now been postponed twice and was intended to be held at the same time as the international meeting. It was noted that a process is needed for how to re-elect the ASC when their term ends next year (2015). It was also noted that the Anglophone Africa region has not had a regional meeting.

The committee requested that lessons learned from the EITI nominations and election process be documented and shared. It was also agreed to share the progress the Secretariat has made thus far on an enabling environment framework. A discussion was also had on how the GSC should intervene to assist with governance challenges at the level of national coalitions. The committee agreed that they should play a role in supporting the adherence by national coalitions to the PWYP governance principles, and in sanctioning those who are not complying, although there were differing views about what sanctions should entail. Some committee members wanted to see country missions from GSC and ASC members to particular coalitions that were consistently not abiding by the governance principles outlined in Vision 20/20; while other committee members felt that those coalitions had already received adequate warning and assistance to help them adhere, and that the GSC should take action to sanction non-compliant coalitions by suspending them. A suspended coalition would continue to receive support in order to be able to comply with the standards at which point suspension could be lifted. It was noted that a working committee set-up at the last GSC meeting to pursue the matter of sanctions and incentives had not been able to make any progress due to capacity limitations. It was agreed that the Secretariat should clearly document instances when the governance principles are not being met by national coalitions in order to facilitate decision making by the GSC on how to respond to this.

The Secretariat informed the GSC that PWYP Canada is in urgent need of financial support for the mandatory disclosures campaign and it was agreed that the Secretariat should resume coordination calls for the mandatory disclosure campaign among the key coalitions and financial supporters. The Secretariat is currently working to update the concept and budget for the mandatory disclosures campaign.

Following several missions to Kazakhstan and despite years of mediation by other partners the GSC decided the following on the basis of the Secretariat's recent mission and recommendations:

1. For the moment there is no PWYP affiliated coalition in Kazakhstan and hence all affiliations are declared invalid.
2. A working committee of six members from the three coalitions will be established, who will work with Oliana Valigura and one observer (appointed by PWYP) to come up with an action plan. This will be shared with the participants of the regional meeting planned for September as well as the Global Steering Committee.
3. Aziya Kurmanbayeva has been requested to step down from the Global Steering Committee following the fact that Kazakhstan doesn't have a PWYP-affiliated

coalition. The PWYP Secretariat will soon share a proposed nominations process for a new Eurasia representative.

4. PWYP will change the location of the Eurasia regional meeting in discussion with the other donors, NRG1 and SFK. Suggested location is Istanbul, Turkey.
5. Representatives from Kazakhstan will not be invited to the Eurasia regional meeting as they have shown little to no tolerance towards each other, PWYP's main donor/partner in Kazakhstan or PWYP representatives. This is contrary to the main PWYP membership principles.

The committee highlighted the importance of replacing the Eurasia regional representative on the GSC since the current representative is no longer able to serve in this role due to the fact that there is no PWYP coalition in Kazakhstan for the moment.

On the financial reporting, the committee was pleased to see the progress since the last meeting. They expressed a wish to see additional narrative on overspent budget lines to clarify whether it's necessary to move funds to different budget lines; a description of where pending funding proposals are in process and sense of likelihood (percentage/ or high, low, medium) of getting the funds; to keep in mind the need for reserve funds as an independent entity; further guidelines on fundraising policies e.g. a simple statement about transparency; and a region by region update on campaign objectives, progress and next steps (for regional coordinators).

The committee requested that the secretariat keep a list of key actions following each meeting in order to track progress made by the next meeting on the various action points identified and committed to.

Annex A

Event	Date	Location
Parliamentarians' meeting	2014	Niger
Conference of the Parties on climate change	2014	Peru
Freedom of information day	Sep-14	
UN General Assembly	Sep-14	
OGP Latin America Regional Network meeting	Nov-14	Costa Rica
UN report on right to assembly	Nov-14	
Anti-corruption day	09-Dec-14	
Human rights day	10-Dec-14	
G8 Summit	2015	Germany
World Economic Forum	2015	Indonesia
AU Summit	Jan-15	Ethiopia
Africa Cup of Nations	Jan-15	
Mining Indaba	Feb-15	South Africa
SEC rule making deadline	Mar-15	US
Women in extractives	08-Mar-15	
New York Forum Africa	May-15	Gabon
ASEAN Summit	May-15	Kuala Lumpur
Democracy day	03-May-15	
Gates Foundation and ADB report launch on extractive revenue management	Jun-15	
BRICS Summit	Jul-15	
EITI review of beneficial ownership rule	Jul-15	
EITI Board meeting	Oct-15	Myanmar
G20 Meeting	Nov-15	Australia
Petro-Africa	Nov-15	Cape Town
PWYP International meeting	2015/2016	
UN General Assembly	2015	New York
UN High panel on illicit financial flows	2015	
Mining On Top conference	2015	UK