

## Joint Board and Global Council, 2 December Global Council, 3 December - Brussels/ MINUTES

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### *Global Council*

Taran Diallo, Guinean Association for Transparency, Guinea (Africa Steering Committee representative) (TD)

Ian Gary, Oxfam America, USA (North America/Europe representative) (IG)

Suneeta Kaimal, Natural Resource Governance Institute, USA (Global representative) (SK)

Cielo Magno, Bantay Kita, Philippines (Asia-Pacific representative) (CM1)

Cecilia Mattia, NACE-Sierra Leone (Anglophone Africa representative) (CM2)

Marc Ona, NGO Brainforest, Gabon (Francophone Africa representative) (MO)

Olena Pavlenko, Dixi Group, Ukraine (Eurasia representative) (OP)

### *Board*

Aroa de la Fuente, FUNDAR (Latin America representative and Global Council Liaison - PWYP member) (AF)

Ali Idrissa, ROTAB-PWYP Niger (PWYP member) (AI)

Julie McCarthy, Open Society Foundations (PWYP member) (JM)

Carlo Merla, Advisor Government of Botswana (External), Chair (CM3)

Claire Spoons, Policy Advisor, Oxfam GB (PWYP member) (CS)

### *PWYP Secretariat*

Marinke van Riet, International Director (MvR)

Stephanie Rochford, Interim Programme Manager (SR)

Flavia Olum, Interim Finance and Operations Manager (FO)

Carol Kiangura, East and Southern Africa Regional Coordinator (CK)

Asmara Klein, EITI Coordinator (AK)

### *Invitees*

Jacqueline Williams, Company Secretary (JW)

Eva Kouka, Ford Foundation (EK)

Simon Taylor, Global Witness (ST)

Rachel Owens, Global Witness (RO)

### *Apologies*

Alan Detheridge, Ex-Shell Executive (External), Treasurer (AD)

Caroline Ngonze, United Nations Development Programme – UNDP (External) (CN)

Tawfiq Al-Budiji, Yemen (Middle East & North Africa representative, Global Council)

Brendan O'Donnell, Global Witness, UK (Global representative, Global Council)

## **1 Summary of Key Actions and Decisions**

- Secretariat to update Business Plan and share with national coalitions in advance of the Global Assembly
- Secretariat to follow up on proposed revisions to M&E framework
- Civil Society EITI Board nominations process agreed and to be circulated
- GC nominations process agreed and to be circulated
- Only those coalitions who have completed the annual governance survey are eligible to nominate candidates for the GC
- Secretariat to revise fundraising policy, conflict of interest policy and GC appraisal process
- Secretariat to revise and circulate EITI Vision paper

Board members, Global Council members and guests were welcomed to the second joint meeting of the Board and Global Council. Due to time restrictions the agenda was amended to omit the first session on the update from the PWYP Secretariat. Participants were referred to the summary update document circulated in advance and invited to raise any questions. The actions from the last meeting were agreed and there were no comments on the minutes.

## **2 East and Southern Africa & Nigeria presentation**

In response to requests from both the Board and the GC to include on the agenda a more in-depth presentation from a Secretariat staff member, Carol Kiangura presented a detailed update on the progress being made by PWYP coalitions in the East and Southern Africa region and Nigeria. Key themes included governance, revenue management and legislative revisions.

The following discussion included comments on Oxfam's work in both Kenya, where there is scope for collaboration on issues including free, prior and informed consent (FPIC) and the IFC performance standards; and South Africa which where Oxfam has just received a grant to start extractives work. IG announced that IBIS will become Oxfam Denmark from March/April 2016 and CK clarified that PWYP has been engaging on issues of tax justice especially via a paper submitted to the Africa Tax Administrators forum, although there was little other civil society representation there so this is an area for stronger engagement. PWYP still needs to follow up more closely on gender work, particularly our gender-responsive chain for change, possibly with PWYP Uganda and Zambia. PWYP was asked to reflect on how we could encourage stronger adherence to our governance standards and on alternative models for coalitions rather than having a paid national coordinator. Evidence from Zimbabwe and Zambia demonstrates the impact of the latter approach, and equally the achievements in the ESA region are testimony to the importance of having a regional focal point in the Secretariat. NRGi is developing a country strategy in Nigeria and will discuss possibilities for engagement with PWYP there. In Tanzania, PWYP maintains contact

with civil society but interest to affiliate has to come from domestic groups. The PWYP Secretariat also continues to engage with the African Development Bank but with limited progress to date. CM2 commented that PWYP Sierra Leone has been receiving AFDB funding since 2010.

### **3 Business Plan**

The International Director presented the background to PWYP's business plan. The document was developed following a recommendation from the GC and Board in April 2015 to identify targets and key performance indicators so that the Secretariat could be held accountable by the Board and GC. The Business Plan therefore focuses on the Secretariat's work rather than that of the national coalitions although there is obvious interdependency. A first draft was elaborated at the staff retreat in July 2015, shared for feedback, and discussed with the Board in August. Key issues presented for discussion and feedback were: taking a position on climate change; how to develop better gender-related targets; identifying strategic partnerships with both members and external organisations; and GC performance, including improving the communication between the Board and the GC.

It was noted that climate change issues fit under PWYP's strategic pillar one, Publish Why You Pay and How you Extract, which considers what is the cost of extraction. CS drew attention to the fact that the Australian government is currently trying to promote the coal industry as an answer to energy poverty, while a recent Oxfam report shows that climate change will impact the poorest the most.

The discussion reflected the need for PWYP to consider the question of equity since fossil fuels are a huge source of potential development for many poor countries and their populations. IG suggested PWYP could use proactive language in developing a position which encourages the use of extractive revenues for renewable energy development. It was noted that the Africa Mining Vision had been developed during the high of the super cycle, and that we need to move towards a more sustainable vision.

It was suggested that PWYP's role could be to convene a discussion and/or form a working group to explore the various positions and responses to climate change within the network, and to identify various considerations rather than trying to come to a single policy position which may be rather bland.

On gender, suggestions for targets included aiming for 50% female representation on MSGs and boards and for coalitions to have 50% female participation in capacity building trainings. It was noted that gender is becoming more of a mainstream issue but that there are still challenges in achieving significant female participation in workshops. Others noted that quotas should not override the criteria of competency for participation, especially on boards. It was suggested that more transformative goals should be identified beyond quotas, and these should be reflected in the Business Plan by building basic assessment of

gender specific risk assessment into our work (e.g. what are the different risks to women and to gender relationships? What safeguards are necessary to mitigate negative impacts?)

It was noted that there is significant gender expertise in the PWYP network and that the different approaches and strategies need to be mapped and experiences shared. The discussion also touched on the question engagement of youth and indigenous peoples. It was agreed that these are separate but equally important issues to discuss in future.

On strategic partnerships, it was suggested not to have a separate section in the Business Plan but to integrate it into KPIs of other strategic goals, and to make a distinction between partners (e.g. OGP) and advocacy targets. The plan should also be clear about what the partnership involves and what are the expected outcomes.

NRGI, with the World Resources Institute, and the governments of Mexico and Indonesia has launched an openness in natural resource working group as part of the Open Government Partnership (OGP). Over 50 countries will be developing new action plans in 2016, which presents a significant advocacy opportunity for PWYP. The working group will focus on advancing commitments related to open data, contract disclosure, disclosure of beneficial ownership, environment policy disclosure and climate change. The UK will host an anti-corruption conference in May 2016 for which the agenda is currently being developed. The United Nations Development Programme (UNDP) also wants to work on anti-corruption in the extractives and we need further engagement with other PWYP coalitions on this. Other suggestions included targets relating to government relationships, journalists and the media and whether a matrix could be a useful way to better identify partners and how those partnerships can be leverages at national and international level.

It was agreed that the GC should not be satisfied with less than 100% response rate to the annual governance survey, and that no one could sit on the GC from a coalition that had not completed it. The Secretariat was requested to task the GC more specifically, particularly in advance of meetings, to take the lead on governance issues which would also help the GC to be more actively engaged. It was also noted that the GC would not be able to fulfil their role in providing strategic guidance without significant preparation time in advance of meetings. It was also noted that donors should liaise with PWYP to ensure good coordination on timing and use of funds. TD noted that the Africa Steering Committee has not met for some time and that they should try to do so in the margins of Lima.

In light of the discussion the Business Plan will be updated and shared with the national coalitions so that it can be validated at the Global Assembly in Peru. It was noted that the Business Plan should allow for flexibility in terms of meeting demands while also leaving open strategic leadership opportunities for the new Executive Director of PWYP.

#### **4 M&E Framework**

Consultants have been engaged to develop a monitoring and evaluation framework for PWYP's Vision 20/20 strategy. The work has progressed in consultation with both the Secretariat and an advisory group made up of coalition members. The consultants presented the background and four key indicators of the framework before a more general discussion. It was noted that the framework is very ambitious and there was some disagreement about the suitability of the indicators selected. Questions were raised about what purpose the framework was intended to serve and the feasibility of rolling the tool out to the coalitions without demonstrating clearly what would be the added value of using the framework. It was agreed that a framework which focusses solely on the Secretariat and the Business Plan would be more useful in the short term, before testing it with one of two coalitions. It was also noted that many coalitions and members are working on M&E tools and methodologies so this work needs to be better coordinated.

The Secretariat will facilitate further discussion once the Knowledge Exchange coordinator is hired, and in the meantime will work with the consultants to revise the framework to reflect the PWYP Business Plan. A request was made for written feedback on the framework and for any suggestions of indicators to be sent to the consultants via the Secretariat.

#### **5 Ford Foundation**

EK thanked PWYP for the invitation to participate in the meeting and gave an overview of the Ford Foundation's strategic priorities following a two year transition period. MvR outlined the purpose of PWYP's recent grant from Ford to strengthen civil society participation in the EITI, as well as strategy, coordination and governance, with PWYP Senegal and PWYP Nigeria.

#### **6 EITI – key questions for GC and Board**

The Global Council and Board members were asked to contribute to a discussion focused on four types of challenge in relation to EITI: civil society participation at both the national and international levels; governance concerns; proposed amendments to the validation process and the campaign to include beneficial ownership transparency into the EITI standard as a requirement.

It was noted that, at EITI International and National Board/MSG level, civil society has been somewhat limited in its ability to express its concerns relating to EITI implementation of the Civil Society protocol, and outstanding questions remain on how to respond when the conditions for civil society in EITI countries does not improve and what level of support can be provided where that is the case. The GC and Board discussed funding challenges on validation, as well as possible options for the process which would safeguard key civil society elements and ensure that validation was focussed on implementation of the EITI process rather than a broader validation of a country. The GC also discussed continuing the campaign for beneficial ownership transparency and noted that a strong civil society

position at the Kiev Board meeting would be crucial in achieving this. CM2 outlined the process at the national level in Sierra Leone as an example of where EITI has become integrated into government budgets rather than relying on World Bank funding.

It was noted that EITI is at a moment of significant transition with a new Board Chair and Board members to be elected in February 2016. There was strong support around the table for defending the 2013 Standard that everyone fought so hard for while recognising that the process is one of negotiation and that the political issues are often bigger than the technical ones. Civil society has a key role to play in maintaining the robustness of the Standard and it was agreed that good governance is the cornerstone of any discussion about the role the EITI can play now and in the future.

## **7 Global Assembly**

PWYP provided an update on logistical planning of the Global Assembly. On participation it was agreed that an invitation could not be extended to civil society organisations with whom PWYP works but who are not officially members of the network (since the Global Assembly is the official members' meeting). On participant numbers, where more than three people from one coalition wish to attend, they may be able to do so as resource persons for specific sessions but this needs to be confirmed. It was reiterated that all participants need to seek their own funding and that the Eurasia region in particular was struggling to find funds.

An update was provided on planning for the EITI Global Conference at which side events are being planned from Tuesday, 23 February. It was therefore agreed that the PWYP agenda will be one and a half days, rather than two full days. The cost of holding a side event was noted and all agreed that it was prohibitive and put civil society's events at risk. AK is liaising with the EITI Secretariat on their programme and gave an update on the topics of the civil society events proposed thus far. It was noted that visa on arrival is still not confirmed but that this would be essential in making the event viable.

The Global Council discussed various campaign ideas and in particular the importance of liaising with local civil society on key issues. It was suggested that PWYP build into the Global Assembly agenda some time for planning with the attendees. It was agreed that AK would coordinate with AF on campaign ideas, and that AF would circulate RLIE's campaign plan to the GC. It was noted again that the Africa Steering Committee should try to meet and CK agreed to liaise with TD on a potential meeting in Peru.

## **8 Vision paper on EITI**

AK presented a draft paper of civil society's long-term vision for the future of the EITI. All agreed that it made sense to develop such a paper at this time but that it should focus more on where civil society would like to see EITI in the future, including a vision for effective governing and executive bodies. It was suggested that the paper be restructured to reflect

the discussion. The revised version will be circulated to the EITI civil society Board members and Global Council by 20 January, and comments submitted by the end of January.

## **9 Nominations processes – EITI CS and GC**

The Global Council discussed PWYP's role in coordinating the nominations and selection of EITI civil society board members. It was noted that according to MSI Integrity and Sefton Darby the civil society constituency has the most transparent election process and the guidelines are available on the EITI website. An independent review of Board member participation revealed that civil society, along with Investors, is the best performing constituency on the Board in terms of participation at Board meetings and at committee level. Ongoing challenges include translation and connection issues for the Southern civil society Board members but overall participation is good.

It was recommended in 2015 to review the constituency guidelines and ensure that they are fit for purpose. A full assessment will be completed before the end of the year and will be circulated. PWYP is making every effort to ensure that the nominations process will be circulated as widely as possible beyond the PWYP network. The GC discussed options for making the process as robust and transparent as possible, and suggested the inclusion of an external civil society expert on the selection panel on the understanding that this be someone who understands extractive sector governance issues.

Those who are interested in being on selection panel were invited to put their names forward; and it was agreed that any current GC member who would be applying for a seat on the EITI Board would recuse themselves from any further involvement.

## **10 Nominations of GC**

The Global Council reviewed and approved the proposed nominations process for the next GC, as per the Governance Manual on which it was based. It was agreed that no person could be nominated from a coalition that had not completed the annual governance survey, since it is part of the terms of reference of the GC to be role models on governance. It was also agreed that any coalition that completed the survey before the end of the nominations period would be eligible to nominate candidates.

It was agreed that the Selection committee should be formed of three people. Those not running for the GC again would be eligible to sit on the Selection committee which will meet in Peru after the elections. It was agreed that a personal statement should be part of the application.

## **11 Update on new ED**

The GC was updated on the recruitment process and the outcomes of the search for a new PWYP Executive Director. The Secretariat confirmed the cost of using a recruitment agency. No other questions were asked.

## **12 Policies and processes**

The GC was asked to input into the risk assessment process and to address any ongoing questions to AF, in her capacity as liaison between the Board and GC. On the fundraising policy, it was noted that more clarity should be provided about not accepting project or institutional funding from the extractive sector (whether directly or via a basket of extractive only funding). A suggestion was made to clarify that the policy relates to the PWYP Secretariat and does not apply at the national level. It was noted that there may be a case for accepting funding that came via a mixed basket of funds from the extractive sector and donors, but that accepting such funds may still be problematic. It was noted that the question of funding sources would be put to the national coalitions at the Global Assembly. A suggestion was also made to develop guidelines around criteria for accepting government funding. It was noted that the fundraising policy is based on the principle that PWYP can operate and advocate freely no matter the source of the funding. It was also noted that the proposal to seek funding from high net worth individuals (HNWIs) was on hold due to lack of capacity to pursue this strategy which is labour and time intensive.

The GC reviewed the Conflict of interest policy and a suggestion was made to include personal or financial links to the extractive sector as a potential conflict of interest. It was also agreed that the policy should be circulated as part of the EITI civil society Board and PWYP GC nominations processes, and that declaration of interest forms should be included in the applications.

On the draft GC appraisal process it was agreed that it is not realistic to have one to one appraisals but that the GC should be scored against an agreed memorandum of understanding as well as provide personal reflections (three things that you are proud of and three areas where you think you could have done better in your capacity as a GC member) in addition to the ones already proposed. A suggestion was also made to add criteria on meeting participation and responsiveness to emails that come in between meetings.

## **13 Social and Environmental Transparency in EITI – campaign update**

AF presented an update on the findings of research by RLIE as part of a campaign to introduce environmental and social impacts into the EITI. The GC offered reflections on the direction of the research and how the campaign could be better focussed.



#### **14 Close**

It was noted that the GC MENA representative had once again not been able to attend the meeting due to the political situation in Yemen, and a suggestion made to ensure regional participation in the future.

The meeting closed with thanks to the GC and to MvR for her leadership of PWYP over the last four and a half years.