

**UK Extractive Industries Transparency Initiative Multi-
Stakeholder Group
Minutes of the Wednesday 9th October 2013 Meeting**

Attendance

<p>Jo Swinson-EITI Champion</p> <p>Chair Marie-Anne Mackenzie- BIS</p> <p>International Secretariat Eddie Rich</p> <p>Industry Dr Patrick Foster- Camborne School of Mines-University of Exeter Andrew Enever- Shell Stephen Blythe- BP Michael Barron – BG Group *Claire Ralph- Oil & Gas UK *Jerry McLaughlin- Mineral Products Association</p> <p>Civil Society Miles Litvinoff- Publish What You Pay Eric Joyce MP Rachel Davies- Transparency International UK (Interim) Gavin Hayman- Global Witness (Interim) *Dustin Benton- Green Alliance</p>	<p>Government Mike Earp- Department of Energy & Climate Change Alan Tume- HM Revenue & Customs *Carolinn Booth- HM Revenue & Customs *Laura Kiddoo- HM Treasury *Jon Atkinson- Department for International Development *Georgia Brown- Department for Business, Innovation & Skills (BIS)</p> <p>Secretariat Margaret Sutherland- BIS Vina Krishnarajah - BIS</p> <p>Apologies David Ritchie- Scottish Government Sandra Johnson-Blake- BIS</p> <p>(* Denotes observer)</p>
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Summary of Proceedings

1. Jo Swinson thanked MSG representatives for their commitment to EITI and highlighted the importance of transparency in the extractives sector. She reaffirmed Government's commitment to working with industry and civil society to implement EITI.
2. There was general consensus among MSG representatives on the importance of collaboration through the multi-stakeholder group to ensure that UK EITI has real benefits for the UK.

Role of the MSG

3. The Chair briefly outlined the key steps that the UK would need to meet before it can become EITI compliant.

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4. There was discussion about what a successful UK EITI would look like with a strong consensus from members on the need for collaborative working. Industry stressed the importance of UK implementation

showing best practice to ensure international leadership. Increasing awareness of the information that is already in the public domain was also highlighted.

5. Civil Society stressed the importance of UK EITI being a gold standard which will play a key part in international leadership and influencing other countries to sign up. They also expressed the importance of ensuring UK EITI is a good quality product that complements the Accounting Directive as much as possible. Other areas highlighted were presenting the data in the EITI report, ensuring it is accessible and relevant and looking at UK overseas territories.

6. Government representatives explained that in their view UK EITI should:

- 1) Set an example to other resource-rich nations
- 2) Be a good quality product
- 3) Fulfil the criteria of the standard

7. Government representatives welcomed effective collaboration with Industry and Civil Society with the aim of implementing UK EITI as smoothly as possible and within a challenging timescale.

8. The International Secretariat outlined the experience of other countries and recommended taking an incremental approach with a focus on the most relevant elements first. Explaining that not everything needs to be detailed in the first report as this is often a learning exercise. It may be better to focus on some key relevant areas initially with the expectation of improving and building on future reports.

Terms of Reference (ToR)

9. The ToR was discussed in detail as they set the framework for the work of the group but with the understanding these may need to be amended as MSG meetings progress. The key areas/changes highlighted during discussion were:

- Inclusion of a positive introductory statement at the start of the ToR with some background and explanation of the importance of collaboration.
- Addition of lines on allowing members of the MSG time to talk to their stakeholders, more detailed information on communications and details of the new standard requirements.
- Explanation of subgroups and who can participate in these groups e.g. can experts be used.

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- Possible insertion of a diagram of new EITI standard.
 - The quorum for meetings to be highlighted as two thirds of MSG members need to attend meetings including a minimum of two representatives from each constituency
 - Add a commitment to agree and publish an annual activity report.
10. On MSG membership, the Chair highlighted there will be 12 full members with voting rights (4 civil society, 4 industry and 4 government officials). Each constituency is also allowed 2 observers who are able to participate in meetings but will not be able to vote.
11. To offer some flexibility it was agreed that 4 seats will also be available for nominated people who will be allowed to observe meetings only. There was a discussion around whether observers from some groups might be appropriate – for example where there could be a commercial advantage from listening to discussions but no agreement was made. All those taking observer seats will be approved by the Chair.

Confidentiality

12. Concerns were raised about the use of confidentiality agreements. The International Secretariat mentioned they operate with an openness agreement and this may be an alternative option. The Secretariat committed to exploring further.
13. MSG representatives were invited to provide further comments on the proposed confidentiality/openness document.
14. Discussions took place on creating an environment of openness and trust to allow participants to engage freely. The Chatham House rules were referred to and the Secretariat agreed to look into this further.

Scope

15. General agreement from MSG representatives that the scope of UK EITI should ensure the main companies are captured while ensuring that disproportionate burdens on smaller business are avoided.
16. There is an expectation that the UK will apply for candidacy by the end of 2014.

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17. To become a candidate country the government must:

Candidacy Steps	Outcome/Status
1. Issue an unequivocal public statement of its intention to implement the EITI	Complete- 22 May 2013
2. Commit to work with civil society and companies on implementation	Complete- highlighted on the 22 nd May 2013 & launch event 9 th July 2013
3. Appoint a senior individual to lead on the implementation	Complete- Jo Swinson appointed 22 May 2013
4. Establish a multi-stakeholder group to oversee the implementation (comprising business, civil society and government)	1 st MSG meeting held on the 9 th October. 2 nd meeting expected on 3 December 2013.
5. The multi-stakeholder group must: agree and publish a fully costed work plan, containing measurable targets, and a timetable for implementation and incorporating an assessment of capacity constraints	Outstanding

18. The next step for the MSG is to establish working groups to help it develop the work plan which should detail the objectives for UK EITI, the timetable for implementation and the expected costs.

19. International Secretariat offered a training day to go through what is needed in the work plan with the group. Once the work plan has been submitted; it will take the Board approximately 2-3 months to assess the application. The MSG begins implementation of the first EITI report in the meantime.

20. MSG representatives agreed on the importance of analysing what information is already in the public domain and looking at the difference between EITI and Chapter 10 of the Accounting Directive.

21. Civil Society confirmed the names of their MSG representatives which include Miles Litvinoff, Eric Joyce MP, Gavin Hayman and Rachel Davies.

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Next Meeting- 3 December 2013

Summary of actions from MSG 1

Action	Status
Industry and civil society representatives to draft an introductory paragraph for the Terms of Reference making a positive statement about UK EITI and the collaborative nature of working.	Complete
EITI Secretariat to make amendments to the Terms of Reference and re circulate to members.	Complete
Secretariat to circulate the draft openness/confidentiality agreements	Complete
Sub group setup to look at the requirements of EITI and the Directive	Complete
Sub group to lead further work setting out relevant information already out in the public domain e.g. taxes collected	Complete
Secretariat to organise a training day with MSG representatives for November	Complete
Secretariat to circulate provisional dates for MSG meetings next year and confirm the December date once confirmed in Minister's diary	Complete
Wording for the post meeting blog to be prepared and shared.	Complete