**UK EITI Compliance subgroup meeting, Wednesday 23rd October 2024**

**Attendees**

Mike Earp Martyn Gordon Helmi Ben Rhouma

Tim Vickery Hedi Zaghouani Mike Nash (Chair)

**Update on actions from last meeting on 18th September 2024**

**Requirement 7.1a (Mandatory)**

*The MSG is required to ensure that government and company disclosures are comprehensible, actively promoted, publicly accessible and contribute to public debate. Key audiences should include government, parliamentarians, civil society, companies and the media.*

* An article covering the UK EITI Payments Report for 2023 was published by Energy Voice in September 2024.
* **(Action: Tim Vickery to look for any further sources of use of data, including looking on “Google Scholar”. UK EITI Secretariat to contact Kirsty Benham to ask if she is aware of any uses of EITI data. Add text in tracker to highlight that an accessibility audit was carried out on the UK EITI website in early 2024).**

**Requirement 7.1b (Mandatory)**

*The MSG is required to:*

*i. Ensure that the information is widely accessible and distributed.*

*ii. Ensure that the information is comprehensible, including by ensuring that it is written in a clear, accessible style and in appropriate languages, and that it considers access challenges and information needs of different genders and subgroups of citizens.*

*iii. Ensure that engagement with stakeholders and outreach events (whether organised by government, civil society or companies) are undertaken to spread awareness of, and facilitate dialogue about, governance of extractive resources, building on EITI disclosures across the country in a socially inclusive manner.*

* On 26th September 2024 the UK Secretariat asked MSG members if there are any events before the end of the year that could be used as a vehicle for promoting EITI. No responses were received.

**Mostly Met Requirements**

**Requirement 2.5c (Mandatory)**

*ICs are required to request, and companies are required to publicly disclose, BO information. This applies to corporate entity(ies) that apply for or hold a participating interest in an exploration or production oil, gas or mining license or contract and must include the identity(ies) of their beneficial owner(s); the level of ownership; and details about how ownership or control is exerted. The MSG must disclose any significant gaps or weaknesses in reporting on BO information, including any entities that failed to submit all or some BO information.*

* This data is not collected by NSTA. Need to check whether CES or TCE collect. This data needs to be disclosed by companies. Solution could be to add a paragraph on the UK EITI website with guidance on what companies need to do to provide this information including links to the NSTA, TCE and CES and Companies House data for cross-reference purposes.
* **(Action: UK EITI Secretariat to contact TCE and CES to see if they publish BO data. UK EITI Secretariat to draft a paragraph for the UK EITI website and discuss some desk research on a small sample with BDO and Tim Vickery).**

**Requirements 3.2a/3.2b/3.3a/3.3b (Mandatory)**

*3.2a ICs are required to disclose timely production data, including production volumes and values by commodity. Data must be further disaggregated by project, where available.*

*3.2b The sources of and the methods for calculating production volumes and values must be disclosed. ICs are required to disclose existing mechanisms to monitor and verify the accuracy of production data and document findings, including any weaknesses related to the comprehensiveness and reliability of publicly available production data.*

*3.3a ICs are required to disclose timely export data, including export volumes and the value by commodity and by exporting company.*

*3.3b ICs must disclose existing mechanisms to monitor and verify the accuracy of export data and document findings, including any weaknesses related to the comprehensiveness and reliability of publicly available export data.*

* It was agreed that the oil and gas data should be sufficient to satisfy this requirement, but more was required for mining and quarrying. Export data is not available by company.
* **(Action: UK EITI Secretariat to arrange meeting of Mining & Quarrying subgroup to discuss the data required and if it is available or are there issues of commercial confidentiality, including a possible paper. A link to the NSTA Petroleum Measurement Guide to be added to the UK EITI website).**

**Requirement 7.1c (Encouragement)**

*The MSG is encouraged to:*

*i. Produce brief summary reports, with clear and balanced analysis of the information, ensuring that the data sources and authorship are clearly stated.*

*ii. Produce thematic reports on specific areas of extractive sector management, and to make these available online.*

*iii. Use EITI implementation to disclose data beyond the EITI Requirements that would enhance public debate on extractive sector governance, including on corruption risks, gender equity, revenue collection, the impact of the energy transition, and artisanal and small-scale mining, as determined by the MSG.*

*iv. Summarise and compare the share of each revenue stream to the total amount of revenue that accrues to each respective level of government.*

*v. Undertake capacity-building efforts, especially with civil society and through CSOs, to improve understanding of the information and data from the reports and online disclosures and to encourage use of the information by citizens, the media and others.*

* It was agreed a quick win would be to update Table 2 of the UK EITI Payments Report for 2023 with the addition of overall percentage figures by each authority and revenue stream.
* **(Action: BDO to update Table 2 of the UK EITI Payments Report for 2023).**

**Partly Met Requirements**

**Requirements 1.5b and 1.5c (Mandatory)**

*1.5b The MSG is required to undertake an annual progress review of the WP, which should inform the subsequent WP. The progress review must include:*

*i. Progress and challenges in achieving WP objectives; changes in those objectives; and how implementation will be adapted to better achieve those objectives.*

*ii. An overview of activities and outcomes achieved through EITI implementation.*

*iii. A description of the mechanisms for stakeholders to provide feedback on EITI implementation, as well as documentation of stakeholder views.*

*iv. Documentation on how the MSG has taken gender considerations and inclusiveness into account.*

*v. A report on actual expenses compared to the WP budget.*

*1.5c All work planning, monitoring and review activities must be informed by consultations with national stakeholders and documented in formats that are publicly available.*

* It was agreed that these two requirements are now “Mostly Met” and the Compliance Tracker should be updated to reflect this.
* **(Action: UK EITI Secretariat to upload the latest version of the UK EITI Workplan onto the UK EITI website for stakeholder consultation for a period of 4 weeks).**

**Requirement 2.2a (Mandatory)**

*ICs are required to disclose information related to all contract and license awards and transfers taking place during the accounting period covered by the most recent EITI disclosures, including for companies whose payments fall below the agreed MT. This must include:*

*i. A description of the process for transferring or awarding the license.*

*ii. The technical and financial criteria used, including any requirements related to free, prior and informed consent. Where the process for awarding or transferring a license mandates consultations with impacted communities, implementing countries and companies are expected to disclose a description of how the consultation process was conducted. This could include the number of people consulted, disaggregated by gender, and a summary of how views on the project’s impacts were collected and considered.*

*iii. Information about the recipient(s) of the license that has been transferred or awarded, including consortium members (where applicable).*

*iv. Any material deviations from the applicable legal and regulatory framework governing license transfers and awards, including an explanation of the methodology adopted for the assessment.*

*The MSG must clearly document the rationale for this choice; the award or transfer processes to which these processes applied; the procedures and criteria used; the institutions involved; and the outcomes of the award and transfer processes.*

* It was agreed that the UK EITI Contract and Licence Transparency subgroup should provide advice on this requirement.
* **(Action: UK EITI Secretariat to add discussion on this requirement to the agenda for the subgroup meeting planned for 12th November 2024).**

**Requirement 4.10a (Mandatory)**

*ICs are required to disclose government policies and practices for monitoring oil, gas and mining project costs and managing revenue loss risks. This must include the disclosure of relevant laws, regulations and policies, as well as actions undertaken to monitor costs.*

* It was agreed that because the new guidance for this requirement had just been received from the EITI international Secretariat subgroup members should have a chance to consider this before commenting further.
* **(Action: Subgroup members to provide UK EITI Secretariat with comments on new guidance for this requirement).**

**Requirement 6.1c (Mandatory)**

*The MSG is required to agree a procedure to address data quality and assurance of information on social and environmental expenditures, in accordance with Requirement 4.9.*

* We do collect this data, but don’t reconcile it, there are too many local authorities in the UK to make this feasible. There are usually only one or two instances of environmental or social payments reported by UK companies each year.
* **(Action: BDO agreed to collect local authority contact details for future payments in order to carry out data quality assurance checks).**

**Requirement 6.3a (Mandatory)**

*ICs are required to disclose information about the contribution of the extractive industries to the economy for the fiscal year covered by EITI implementation. This must include, where available:*

*iv. Employment in the public and private sectors of the extractive industries in absolute terms and as a percentage of the total employment. The information must be disaggregated by gender and occupational level, where available, and further disaggregated by company and project, as well as between local and foreign nationals.*

* It was agreed to look for further data, including looking at the OEUK and Women In Mining websites. Also to add a link to ASHE data to the UK EITI website.
* **(Action: UK EITI Secretariat to look for further sources data and add Annual Survey of Hours and Earnings (ASHE) link to UK EITI website).**

**Requirement 6.4a (Mandatory)**

*ICs are required to disclose an overview of relevant legal provisions and administrative rules governing environmental and social impact management and monitoring in the extractive sector. This must include information on rules regarding environmental permits and licenses, including social, gender and environmental impact assessments, as well as rehabilitation, decommissioning and closure programmes. It must also include information on the roles and responsibilities of relevant government agencies in implementing the rules and regulations.*

* **(Action: UK EITI Secretariat to check on progress of paper documenting environmental and social impact of extractive activities across the UK extractive sector and chase any responses).**

**AOB**

* No decision to be made on a meeting of the whole UK EITI MSG to look at compliance to the EITI Standard until the date of the validation is confirmed.
* UK EITI Secretariat and Tim Vickery look at possibility of producing a shortened Annual Progress Report for 2024, including a section on validation preparation.
* **(Action: UK EITI Secretariat to arrange meeting with Tim Vickery to discuss options for Annual Progress Report).**