

**UK Extractive Industries Transparency Initiative Multi-Stakeholder Group
(MSG)**

**Minutes of the 38th Meeting – 18th March 2020 – Church House, London
SW1P 3NZ (10-11.30pm)**

Attendance

<p>Chair</p> <p>Matt Ray - Department for Business, Energy and Industrial Strategy</p> <p>Secretariat</p> <p>Nicola Wallace – Department for Business, Energy and Industrial Strategy</p> <p>Mike Nash - Department for Business, Energy and Industrial Strategy</p> <p>Industry</p> <p>John Bowater – Aggregate Industries (via Webex)</p> <p>Dan Espie – Total (by phone)</p> <p>Jacqui Akinlosotu – ENI (by phone/Webex)</p> <p>Interim Civil Society</p> <p>Miles Litvinoff – Publish What You Pay UK (via Webex)</p> <p>Martyn Gordon – Robert Gordon University Aberdeen (via Webex)</p> <p>Joe Williams – NRG I (via Webex)</p>	<p>Government</p> <p>Mike Earp - Oil & Gas Authority (via Webex)</p> <p>Jeff Asser – Department for Business, Energy and Industrial Strategy</p> <p>Raj Baisya – Home Office (Joint Anti-Corruption Unit) (by phone)</p> <p>Nicola Garrod – HMRC (by phone)</p> <p>Others</p> <p>Tim Woodward – BDO (via Webex)</p> <p>Hedi Zaghouani – BDO (via Webex)</p> <p>Justyna Herbut – CSN Coordinator (via Webex)</p> <p>Apologies</p> <p>Lorraine Allanson</p> <p>Simon Clydesdale – Global Witness</p> <p>Aurelie Delannoy – Mineral Products Association</p> <p>Mike Tholen – OGUK</p> <p>Dr Patrick Foster – University of Exeter</p> <p>Matt Edwards – Department for International Development</p>
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1 – Welcome:

1. The Chair welcomed all to the 38th meeting of the UK EITI MSG.
2. The Crown Estate asked to postpone their presentation due to the current restrictions following the coronavirus outbreak. It is hoped that they can participate in some capacity at the May MSG.
3. The Chair welcomed Justyna Herbut, the CSN coordinator appointed in February.

2 – UK EITI Updates:

UK EITI Champion

4. A submission has been drafted to Ministers them to take on the role of UK EITI Champion. This will be sent once there has been dialogue with other parties across BEIS, to ensure other potential interest is mapped. An update will be provided at the May MSG.

Civil Society Representation

5. Civil Society Network is currently working to formalise its nominations process. The process is being documented and the aspiration is to have nominated representatives in place by the 20 May MSG.
6. Civil Society Network is also putting in place an application process for individual associate members. There are some complex legal issues be resolved beforehand, so timelines may slip. There should be more clarity on this shortly and CSN will provide an update after legal advice in the next week or so.

3 – Agreement of minutes and action points of 9th January 2020 meeting

7. The minutes of the 9th January meeting were agreed.
8. The MSG were updated on the main action points from the 9th January meeting.
 - **The Secretariat to consider the possibility of holding workshops to inform the independent website in Aberdeen and East Midlands.** Due to time constraints it was agreed that an on-line survey should be sent to stakeholders across the sector, including employees and academia. The results of the survey were used to help inform the information structure of the website. Post launch events were organised for Aberdeen (postponed) and London. **The MSG agreed that in the current climate the London event should also be postponed.**
 - **Civil Society to let Secretariat know the start date of the new coordinator and arrange an early introductory meeting.** The Secretariat met with Justyna Herbut and Joe Williams on 6th February.

4 – UK EITI objectives and workplan – update and agreement

9. The current UK EITI objectives have not been updated since the MSG was established in 2013. The new workplan provides the opportunity to update the objectives and ensure they are incorporated into the latest workplan.
10. The objectives have been updated and broken down into four new high-level objectives:
 - Objective 1 - Uphold the principles set out in the 2019 EITI Standard and implement them in a way suitable for the UK context.
 - Objective 2 - Promote transparent and accessible disclosure systems and good governance in the extractive sector to enhance accountability to the UK public on the UK's extractive industries.

- Objective 3 - Increase public understanding of social and economic impacts of the UK's extractive industries and enrich public debate on the governance and stewardship of the UK's oil, gas and mineral resources.
 - Objective 4 - Contribute to international efforts to further transparent and accessible disclosure systems and good governance in the extractives sector.
11. It was agreed that objective two should be broadened to include “enhance accountability on revenues to the UK public on the UK's extractive industries” and that objective four should include a mention to “common global reporting standards”. Subject to this the MSG were happy to approve the objectives.
 12. The workplan includes actions to address all the corrective actions from the validation and the new requirements and encouragements from the 2019 Standard.
 13. The MSG approved the updated workplan (subject to comments by email from one government representative). It will be a living document that will be updated on a regular basis. It will be uploaded to the Gov.UK website and then transferred to the new website.

5 – UK EITI Impact Evaluation

14. Corrective action 8 of the validation requires the MSG to review the impact of the first five years of EITI implementation.
15. The Secretariat have drafted some questions for the proposed evaluation.
 - a. What has UK EITI done in its first five years?
 - b. What has been the impact of EITI implementation in the UK on natural resource governance?
 - c. How could the UK further leverage the EITI platform to enrich public debate on the governance and stewardship of the UK's oil, gas and mineral resources?
16. The MSG broadly agreed the questions, and suggested that we should reach out to the wider industry constituency (beyond MSG membership) to seek views on the impact of EITI implementation in the UK. The evaluation could also consider how the focus and objectives of UK EITI have changed over time.
17. MSG members were asked to send any further comments on evaluation questions by email.
18. It was agreed that the Secretariat would draft a paper addressing these questions, using minutes from previous meetings, previous reports and one to one meeting's with MSG representatives. It was agreed that the findings would be written up and tabled to the MSG for agreement.

6 – UK EITI Compliance with EITI Standard

19. The initial meeting of the Compliance subgroup took place in January. They focused on the corrective actions from the revalidation. Good progress has been made and there will be a further meeting before the May MSG.

20. One substantive corrective action covers the materiality of mandatory social payments. In the England and Wales these are payments under Section 106 of the Town and Country Planning Act 1990.
21. At the 22nd May 2019 meeting the MSG decided to continue to include these payments in-scope for the 2018 process as they were still material. The MSG agreed to keep them in-scope for 2019.
22. It was agreed that clarification was required on equivalent payments in Scotland and Northern Ireland as the current payments only covered England and Wales.
23. The Reconciliation subgroup were to meet in late March to discuss further and ensure the text on mandatory social payments meets the requirement of the 2019 Standard. It can then be clarified with the EITI International Secretariat.
24. The next Compliance subgroup meeting will focus on addressing the new requirements of the 2019 EITI Standard.

7 – Mainstreaming update

25. The vast majority of the short-term actions have now been completed. These include new links to data sources in the overview, oil and gas and mining and quarrying background information.
26. The longer-term issues will be addressed over the coming months. This includes subgroup members drafting a paper for the MSG outlining the pros and cons of mainstreaming tax data.

8 – Comms update

27. Due to the current uncertainty and restrictions brought about by the coronavirus both launch events in Aberdeen and London have been postponed. It is hoped that these events, with a more general EITI focus, can take place later in the year.
28. Work on the UK EITI website continues. The design phase has been signed-off and Civic will be contacting stakeholders to carry out testing on the design of the website. The next phase will be the build and testing of the website, including content population.

Action points

- Secretariat to cancel London launch event at the Institute of Materials, Minerals and Mining in May 2020.
- Secretariat to invite The Crown Estate to present to the MSG at the May meeting.
- CSN to provide an update on the nominations process once legal advice has been received.
- Secretariat to upload the new workplan on the current UK EITI website.
- MSG to provide any further comments on the impact evaluation questions.
- Secretariat to draft paper on the impact of EITI in the UK for the May MSG.
- Reconciliation subgroup to clarify equivalent S.106 payments in Scotland and Northern Ireland.
- Mainstreaming subgroup to provide paper on pros and cons on mainstreaming tax data for May MSG.

