

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

**Minutes of the 46th Meeting – 17th June 2021 – Via Microsoft Teams
(10.00am-12.00pm)**

Attendance

<p><u>Chair</u></p> <p>Matt Ray - Department for Business, Energy and Industrial Strategy (BEIS)</p>	<p><u>Government</u></p> <p>Jeff Asser - Department for Business, Energy and Industrial Strategy (BEIS)</p>
<p><u>Secretariat</u></p> <p>Monica Draycott – Department for Business, Energy and Industrial Strategy</p> <p>Mike Nash - Department for Business, Energy and Industrial Strategy</p>	<p>Mike Earp - Oil & Gas Authority</p> <p>Lu Ecclestone – Foreign Commonwealth and Development Office (FCDO)</p> <p>Nicola Garrod - HMRC</p> <p>Richard Griffiths – Welsh Government</p>
<p><u>Industry</u></p> <p>Jacqui Akinlosotu – ENI</p> <p>Aurelie Delannoy – Mineral Products Association</p> <p>Dan Espie – Total</p> <p>Dr Patrick Foster – University of Exeter</p>	<p><u>Others/observers</u></p> <p>Sam Bartlett – EITI International Secretariat</p> <p>Mark Burnett – EITI International Secretariat</p> <p>Tim Woodward – BDO</p> <p>Hedi Zaghouani - BDO</p> <p>Mark Henderson – BDO</p> <p>Tim Vickery – Independent Advisor</p> <p>Simon Taylor – Global Witness</p>
<p><u>Civil Society</u></p> <p>Martyn Gordon – Aberdeen Business School</p> <p>Miles Litvinoff – Publish What You Pay UK</p> <p>Joe Williams – NRG</p>	<p><u>Apologies</u></p> <p>John Bowater – Aggregate Industries</p> <p>Nick Etherington – The Crown Estate</p>

1 – Welcome and Introductions:

1. The Chair welcomed all to the 46th meeting of the UK EITI MSG.
2. The Chair welcomed and thanked:
 - **Tim Woodward**, BDO, is moving on and was thanked for his work on UK EITI since its inception in 2014.
 - **Mark Henderson**, a partner at BDO, will be replacing Tim was welcomed and introduced.

- **Tim Vickery**, an independent advisor was welcomed and introduced. Tim will be taking on the role of comms and outreach and has previously worked on projects with the EITI international Secretariat.
- **Sam Bartlett** from the EITI International Secretariat was thanked for his work on UK EITI over the last couple of years. Sam will be moving to a new challenge.
- **Mark Burnett** who will be taking up Sam's liaison role at the International Secretariat was introduced and welcomed.

2 – Agreement of minutes and action points of 12th May 2021 meeting:

3. The minutes of the 12th May 2021 meeting were agreed.
4. The MSG were updated on the main action points from the 12th May meeting.
 - BDO to chase Crown Estate Scotland for their payments data. **BDO chased CES on 20th May. Secretariat chased on 21 May and 4 June. CES provided their figures on 9th June 2021.**
 - Government constituency to complete and sign-off the Government Engagement section of the Stakeholder Engagement template by 28th May 2021. **Completed on 31st May 2021.**
 - Industry constituency to complete and sign-off the Industry Engagement section of the Stakeholder Engagement template by 28th May 2021. **Oil and Gas section completed on 28th May 2021. Mining and quarrying section completed on 10th June 2021.**

3 - UK EITI Reconciliation process 2020 – update:

5. BDO are still on target to complete the reconciliation by mid-July. There are 61 companies currently in-scope. 57 have acknowledged receipt of the templates, with to date 55 companies submitting their templates. 51 companies have now been fully reconciled.
6. Six companies have yet to submit their templates. Four oil and gas companies and two mining and quarrying companies. Mining and quarrying representative agreed to follow-up with the two companies. The OGA representative offered to try and find contact details for the oil and gas companies.
7. The initial payment figures look low and this is due to a number of repayments associated with decommissioning. It was agreed that BDO should ensure that this is made clear when the data is published.

4 - UK EITI Validation:

Outcomes and Impact pre-validation template:

8. The MSG were thanked for their input so far on the templates, which were now looking in much better shape for final agreement in late June, with key messages and a good story to tell since the last validation.
9. Under the heading *“Explain how the work plan’s objectives reflect national priorities for the extractive industry. Provide links to supporting documentation, such as studies or national development plans, if available”* we have tried to make the narrative reflect a more strategic approach and to explain why the UK considers EITI important in the global context.

10. Under heading 3 “*Optional question: Has the MSG developed a theory of change on how EITI implementation will address the identified challenges of the sector in your country? If yes, please reference the corresponding document here*” we have emphasised the importance and value of good governance and data. We have also included information on the work carried out on contract and licence transparency, energy transition, coal and devolution.
11. Under heading 7 “*Summarise any steps taken by the MSG to exceed EITI Requirements in a way that addresses national or local extractive sector governance priorities*” has been updated to include the latest paper and recommendations on tax mainstreaming.
12. Under heading 14 “*Describe examples of use of EITI data*” we have added some specific examples and more on how we are trying to stimulate public debate in the UK on key issues, including the controversy around the opening of new mines.
13. Under heading 17 “*Describe other efforts by the MSG in the period under review to ensure that information is widely accessible and distributed*” we require more input. It is currently focused on payments data and links to Companies House extractive service and the Financial Conduct Authority National Storage Mechanism and the NREGI database.
14. It was agreed that this section should highlight the fact that the reports have become much more accessible to the lay person and are now combined with the annual review into just one document.
15. Under heading 18 “*How could the MSG improve the accessibility and distribution of information, considering the needs of different subgroups of citizens?*” we have included the possible future use of social media and added the fact that we now have Tim Vickery leading on Comms and his role will include ensuring that the comms strategy is more robust. This will be preceded by a benchmarking survey.
16. Under heading 19i “*EITI implementation addresses nationally relevant extractive sector governance challenges. This indicator also recognises efforts beyond the EITI Standard*”. We have highlighted the work going on around Energy Transition in this section.
17. It was agreed that a link to the positive coverage of Cornwall and its raw materials such as Lithium should be included in this section. It was also agreed that the wording of the section on the North Sea Transition Deal should also reflect the concerns of civil society.
18. Under heading 19iv “*Extractive sector data is accessible and used for analysis, research and advocacy*” it was agreed to add articles on EITI by Professor Sovacool from the University of Sussex.
19. Under heading 19v “*EITI has informed changes in extractive sector policies or practices*” it was agreed to include a line on the consistent high level of engagement by UK companies in the reconciliation process and that implementation of EITI is in line with the Government’s current transparency agenda.
20. Under heading 21 “*Describe how any feedback from stakeholders beyond MSG members have been considered in the review of the outcomes and impact of EITI implementation*” it was agreed to highlight that the website includes clear contact information and mechanisms for stakeholders to contact the MSG.

Transparency pre-validation template:

21. BDO have been completing the transparency template and consider that the UK are fully meeting 16 of the requirements, 7 are not applicable to the UK and two requirements 2.2 and 2.4 still require some work.

Stakeholder Engagement template:

22. The Secretariat thanked members for their input into the sections that specifically relate to the engagement of the government, industry and civil society constituencies. Any further comments or updates on these sections will need to be shared and agreed with colleagues in individual constituencies.
23. All three templates will be updated and recirculated to the MSG on 18th June for response by 25th June. Any comments or updates will be included in the final versions of the templates that will be circulated again on 28th June. The final versions will be sent to the International Secretariat on 30th June.

8 - AOB

24. The recent EITI Board meeting covered an assessment of adherence to the expectations for EITI supporting companies and the Beneficial Ownership validations of Germany, Norway, Armenia and Nigeria. The full papers will be circulated to the MSG.
25. The updated mainstreaming tax paper and its recommendations will be circulated after the meeting, with a deadline for approval of 25th June 2021.
26. The EITI International Secretariat bid for an event at COP26 has been rejected. It is still hoped that they will still be able to organise an event to run parallel with the conference, if possible.
27. It was agreed that the July MSG should include a presentation by Carbon Tracker about the global registry of fossil fuels.

Action points:

- BDO to ensure that reconciliation report clearly highlights the reason for the low payments data total compared with previous years i.e. what the repayment figures relate to.
- Secretariat to update Outcomes and Impacts template with comments from MSG members.
- BDO to update Transparency template with comments from MSG members.
- Secretariat to update Stakeholder Engagement template with comments from MSG members.
- Secretariat to circulate all three templates for further comment on 18th June 2021, with a deadline of 25th June 2021.
- Secretariat to circulate latest EITI Board papers.
- Secretariat to circulate updated Mainstreaming Tax paper for final comment and approval by 25th June 2021.
- Secretariat to add item on Global Registry of Fossil Fuels to 21st July 2021 MSG meeting.