

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

Minutes of the 53rd Meeting – 6th October 2022 – Via Microsoft Teams (11.00am-12.15pm)

Attendance

<p><u>Chair</u></p> <p>Matt Ray - Department for Business, Energy and Industrial Strategy (BEIS)</p> <p><u>Secretariat</u></p> <p>Monica Draycott – Department for Business, Energy and Industrial Strategy (BEIS)</p> <p>Mike Nash - Department for Business, Energy and Industrial Strategy (BEIS)</p> <p><u>Industry</u></p> <p>Jacqui Akinlosotu – ENI</p> <p>Aurelie Delannoy – Mineral Products Association</p> <p>Dan Espie – TotalEnergies</p> <p>Dr Patrick Foster – University of Exeter</p> <p><u>Government</u></p> <p>Jeff Asser - Department for Business, Energy and Industrial Strategy (BEIS)</p> <p>Nicola Garrod - HMRC</p> <p>Johann MacDougall – Scottish Government</p> <p>Mark Wilson – Department for the Economy Northern Ireland</p>	<p><u>Civil Society</u></p> <p>Martyn Gordon – Robert Gordon University</p> <p><u>Guests/observers</u></p> <p>Professor Hafez Abdo – University of Nottingham</p> <p>Mark Burnett – EITI International</p> <p>Colin Croucher – Serious Fraud Office</p> <p>Helen Day – Coal Authority</p> <p>Chara de Lacey – Transparency International</p> <p>Mark Henderson – BDO</p> <p>Professor Aziz Islam – University of Aberdeen</p> <p>Tim Vickery – Independent Advisor</p> <p>Hedi Zaghouani – BDO</p> <p><u>Apologies</u></p> <p>John Bowater – Aggregate Industries</p> <p>Mike Earp – North Sea Transition Authority</p> <p>David Evans – OEUK</p> <p>Nick Everington – The Crown Estate (TCE)</p>
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1 – Welcome and Introductions:

1. All were welcomed all to the 53rd meeting of the UK EITI MSG.
2. The following observers were welcomed:
 - **Professor Azizul Islam** from the **University of Aberdeen**.
 - **Professor Hafez Abdo** from the **University of Nottingham**.
 - **Chara de Lacey** from **Transparency International**.
 - **Colin Croucher** the Principal Intelligence Officer from the **Serious Fraud Office**.

2 – Agreement of minutes and action points of 19th July 2022 meeting:

3. The minutes of the 19th July 2022 meeting were agreed.
4. The MSG were updated on the main action points from the meeting on 19th July.
 - Action plan, with timescales for the Comms and Engagement subgroup to be drafted. ***Draft action plan to be approved by Comms and Engagement subgroup and circulated with papers for 6th October 2022 MSG.***
 - Reconciliation subgroup meeting to be organised to consider first recommendation by BDO in the lessons learned and recommendations report. ***Reconciliation subgroup meeting has been organised for 20th October 2022.***

3 - UK EITI Comms and Engagement update

5. The oil and gas promotional leaflet has been drafted and agreed by the subgroup. The leaflet will be circulated to the wider-MSG for further comment and final approval.
6. A draft action plan covering future Comms activities was circulated with the papers for the meeting. This was an action agreed at the MSG in July. The action plan will be re-circulated to for further comment and final approval.
7. The civil society survey has been circulated in August. The deadline has been extended until 7th October. Only three responses have been received so far. Colleagues from Nottingham and Aberdeen Universities and Transparency International agreed to complete the survey.
8. Initial evaluation indicates that one respondent may be interested in participating in the MSG, this will be followed up. Once the deadline has closed all responses will be evaluated and discussed by the subgroup before the comms strategy is updated.

4 – UK EITI contract and licence transparency update

9. The main licensing authorities – North Sea Transition Authority, The Crown Estate, Crown Estate Scotland, Scottish Government and Coal Authority met in September.
10. Each licensing authority provided an update on where they were with regards to requirement 2.4 of the EITI Standard.
11. There remain concerns within TCE about the impact of disclosure on commercial confidentiality and customer perception that EITI could be seen as facilitating the sharing of competitively sensitive information between competing companies via public disclosure around contract and licences. They are currently awaiting guidance from legal colleagues.
12. Overall progress is steady, with a number of authorities currently compliant and the rest nearly there. The next meeting will take place in February 2023.
13. A simple licence and contract matrix is being drafted for the website. This includes information on the different licences issued, whether they are regulatory or commercial, whether the licence is within scope of EITI and a link to the relevant data.

5 – UK EITI Annual Review – plans and timetable

14. The Annual Review for 2022 will be a paired back version compared with last year, which covered the validation.
15. It is planned to start drafting the report shortly. Content will be based around what was included in the 2021 report, minus the validation text.
16. We will again be asking MSG members to provide data updates and text for the introduction – we have already asked members for data updates for the website, hopefully these should be sufficient.
17. As in previous years, volunteers will be sought to provide the perspectives for each constituency.
18. The UK Secretariat plan to draft both the “Ministerial Foreword” on behalf of Lord Callanan, and the “Chair’s View” text by early November.
19. The first draft should be completed by mid-November. The Sectoral subgroup will be asked to look at and approve the content before asking the MSG for final approval in December.
20. As with last year a draft copy of the Annual Review will be loaded onto the UK EITI website in January 2023 for a four-week stakeholder consultancy period.
21. All being well, and dependent on the number and nature of comments received from stakeholders, the Annual Review will be published in early February 2023.

6 – EITI International update

22. A meeting of National Coordinators is due to take place in Oslo from 10-13 October, with 41 countries taking part. The event will include a number of learning sessions as well as group discussions on the use of data and implications of systematic disclosure.
23. The independent evaluation of EITI has been concluded. The findings reinforce aspects of the model for multi-stakeholder engagement and identified a number of areas that could be strengthened.
24. The evaluation makes four key recommendations:
 - i) A modular approach to the EITI Standard
 - ii) Making EITI ‘real’ at the subnational and local levels
 - iii) Reinvesting in the multi-stakeholder model
 - iv) Measuring what matters
25. These recommendations will be discussed in more detail at the EITI Board on 12th October.
26. A working group is still looking at refinements to a number of areas of the EITI Standard, in particular anti-corruption, gender and energy transition. Further consultations will take place through to March 2023. The new Standard will be launched at the EITI Global Conference taking place in Senegal in June 2023.

7 – UK EITI independent administrator contract - update

27. BDO have been awarded the Independent Administrator contract for the next three years after a competitive tender process which started in May.

28. Mike Earp, Johann MacDougall and David Evans were thanked for their valuable contribution to the process, which included evaluating the bids, taking part in a consensus meeting and taking part in the interview process.
29. BDO were clearly put forward the strongest bid and the new contract starts in early October and will run on a year-on-year basis until the end of September 2025.
30. An initial inception meeting with BDO will take place on 10th October to discuss the work and requirements of the contract going forward.
31. The UK Secretariat look forward to continuing their excellent working relationship with the BDO team over the next three years.

8 – AOB

32. BDO have received a late payments data template for 2021. It was agreed that the report should be revised and include a footnote to highlight this update.
33. The next meeting will take place on 6th December 2022 and the MSG agreed that it should be a hybrid meeting at the BEIS conference centre in London. Those wishing to attend in person should inform the UK Secretariat.
34. Concerns around skills shortages within the sector and difficulty in recruiting were raised by members. It was agreed that members should convene a meeting for industry and academia members to discuss further.

Action points:

- Oil and Gas industry leaflet to be circulated to the MSG for final comment and approval. **(Action: UK Secretariat/MSG).**
- Comms action plan to be circulated to the MSG for final comment and approval. **(Action: UK Secretariat/MSG).**
- Volunteers sought to provide constituency perspectives for Annual Review 2022. **(Action: UK Secretariat/MSG).**
- Sectoral subgroup meeting to be arranged for November to look at the sector overviews for the Annual Review 2022. **(Action: UK Secretariat/Sectoral subgroup).**
- UK EITI payments data report for 2021 to be updated with late figures and footnote added to indicate the update. **(Action: BDO).**
- Book room at the BEIS Conference Centre for hybrid meeting on 6th December. **(Action: UK Secretariat).**
- Convene a meeting of industry and academic members to discuss concerns around skill shortages within the sector. **(Action: Pat Foster).**