

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

**Minutes of the 58th Meeting – 13th September 2023 – Via Microsoft Teams
(10.00 – 11.15am)**

Attendance

<p><u>Chair</u></p> <p>Tim Stern – Foreign and Commonwealth Development Office (FCDO)</p> <p><u>Secretariat</u></p> <p>Joel Watson – Foreign and Commonwealth Development Office (FCDO)</p> <p>Mike Nash - Department for Energy Security & Net Zero (DESNZ)</p> <p><u>Industry</u></p> <p>Jacqui Akinlosotu - ENI</p> <p>Kirsty Benham – Critical Minerals Association</p> <p>John Bowater – Aggregate Industries</p> <p>Aurelie Delannoy – Mineral Products Association</p> <p><u>Government</u></p> <p>Mike Earp – North Sea Transition Authority</p> <p>Leo Kellaway – HMRC</p> <p>Johann MacDougall – Scottish Government</p>	<p><u>Civil Society</u></p> <p>Martyn Gordon – Robert Gordon University</p> <p><u>Guests/observers</u></p> <p>Sophia Brecknell – Foreign and Commonwealth Development Office (FCDO)</p> <p>Mark Burnett – EITI International Secretariat</p> <p>Helen Day – The Coal Authority</p> <p>Mark Henderson – BDO</p> <p>Helmi Ben Rhouma - BDO</p> <p>Tim Vickery – Independent Advisor</p> <p><u>Apologies</u></p> <p>Jeff Asser - Department for Energy Security & Net Zero (DESNZ)</p> <p>Chara de Lacey – Transparency International UK</p> <p>Nick Everington – The Crown Estate</p> <p>Tilly Prior – Transparency International UK</p> <p>Mark Wilson – Department for the Economy Northern Ireland</p> <p>Hedi Zaghouani - BDO</p>
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1 – Welcome and Introductions:

1. All were welcomed to the 58th meeting of the UK EITI MSG.
2. The following guest was welcomed:
 - **Sophia Brecknell** the new Joint Head of the **FCDO/DESNZ International Energy Unit**. Sophia will be taking over as the new Chair of the MSG after this meeting.

The Chair thanked:

- **Dan Espie** an industry member from **TotalEnergies** for his valuable and important contribution to UK EITI. Dan has now retired.

2 – Agreement of minutes and action points of 5th July 2023 meeting:

3. The minutes of the MSG meeting on 5th July 2023 were agreed.
4. The MSG were updated on the main action points from the meeting on 5th July 2023.
 - UK EITI Payments report for 2022 to be re-circulated to the MSG for final approval before publication. **Report re-circulated for final comments and approval on 10th July 2023. Final report published on 18th July 2023.**
 - UK EITI Secretariat and EITI International Secretariat to discuss options on how to take forward the new requirements and encouragements of the EITI Standard and the implications for UK EITI. **Presentation and discussions on the impact of the new standard on implementation in the UK and ways forward to take place at the UK EITI MSG on 13th September 2023.**

3 - Open Government National Action Plan 7 – UK EITI civil society interest

5. Following on from the presentation on the Open Government Partnership National Action Plan (NAP) 6 by Cabinet Office colleagues in July, a follow-up meeting was held to look at ways that the MSG can engage with the NAP7 process.
6. It was agreed that the UK EITI Secretariat would canvass initial interest from civil society colleagues in engaging with the NAP7 process.
7. The civil society representative responded positively to engaging with the process. It was agreed that the UK EITI Secretariat would arrange an initial meeting between civil society members and the Cabinet Office later this year.

4 – Take-aways from EITI Conference paper by UK delegates

8. The two main focuses of the EITI Global Conference in Dakar in June were the 2023 EITI Standard and the energy transition, with particular focus on localising the benefits of EITI for communities.
9. The UK delegates provided some valuable perspectives and feedback after the conference in a short paper. This included a proposal to form an Energy Transition subgroup. The subgroup would update the current energy transition mapping and also look at the specific requirements around the energy transition from the new EITI Standard.
10. Civil society colleagues were particularly interested to look more closely at the new anti-corruption requirements in the Standard and will be meeting shortly to discuss them. They will feed the outcomes of their discussions into the work being taken forward by the wider MSG.

5 – EITI Standard – what’s new, implications for UK and next steps

11. The EITI Standard has evolved in response to stakeholder needs and the changing global context. The new and refined provisions respond to the most pressing challenges.
12. The main themes are around anti-corruption, energy transition, gender, social and environment and revenue collection.
13. The MSG need to review the key changes and determine the applicability of the new requirements. This includes reviewing whether data is already available, whether there are any legal barriers and whether data can be systematically disclosed.
14. The MSG also need to ensure that their work plan for 2024 reflects the priorities of the new Standard and consider mechanisms for taking this work forward e.g. subgroups or working

groups. The MSG also need to consider the national context, policy priorities and whether there is public interest or demand.

15. The UK will not be assessed against the 2023 Standard until 2025, but are encouraged to integrate new requirements earlier.
16. Concerns were raised about the expansion of the scope of the information requested from participating companies, which could lead to some pushback. It was agreed that if required data is not available adapted implementation should be considered.
17. It was agreed that the UK EITI Compliance subgroup should reconvene to have initial discussions on the new requirements of the 2023 EITI Standard and report back to the MSG at the November meeting. Further volunteers to join the existing subgroup would be sought.

6 – Beneficial Ownership – due diligence

18. After the publication of the UK EITI Payments Report 2022 the EITI International Secretariat raised the following points around UK Beneficial Ownership (BO) reporting:
 - i) If companies are required to report BO information including PSC details to Companies House, why is there an additional information collection process requested by UK EITI and NSTA? Does this duplicate the data collection by Companies House?
 - ii) With regard to the BO section discussion about politically exposed persons, the report states that privately held companies within scope did not disclose PEPs (table 9). According to the [BO Guidance Note](#) the MSG should discuss gaps such as this and agree a way forward to address them. This is consistent with the strategic recommendation noted in the 2021 UK Validation.
19. The UK Independent Administrator, BDO, carried out a due diligence check on UK EITI BO reporting. BDO concluded that the majority of requirements should continue through EITI reporting.
20. However, BDO made it clear that systematic disclosure via Companies House is no longer adequate and does not cover the requirements of the new Standard. Although work is not being duplicated it would be important to ask for the additional information and not just provide links in future years.
21. The encouragement in the new Standard to lower the current BO threshold from 25% to 10% will be up to the MSG to consider and decide if they wish to implement.

7– UK EITI Comms & Engagement – update

22. The Comms and Engagement Strategy will be revisited in light of new EITI Standard. The bulk of the strategy will remain on hold until there is clarity from the MSG on their direction of travel.
23. An accessibility audit is taking place on the UK EITI website, this will be concluded very shortly, before the findings are actioned.
24. Consideration to be given to inviting the British Geological Survey (BGS), who are leading on the Critical Minerals Intelligence Programme, to be involved in the Comms and Engagement work.
25. Members were reminded to provide the UK EITI Secretariat with details of any up and coming sector events for the events diary.

8 – UK EITI Annual Review 2023 – plans

26. The plan is to start drafting the report shortly and hold a Sectoral subgroup meeting to discuss in more detail. Content will be based around what we included in the 2022 report. MSG members will be asked to provide data updates and text for the introductory/overview paragraphs.
27. The UK Secretariat will also be asking each constituency to provide their perspective and the secretariat will also draft both the “Ministerial Foreword” and “Chair’s View” text by early November.
28. Plans are to provide a first draft by mid-November, which the Sectoral subgroup will be asked to approve, before asking the MSG for final approval in late November/early December.
29. As with last year a draft copy of the Annual Review will be uploaded onto the UK EITI website in December/January 2024 for the required four-week stakeholder consultancy period, with the plan to publish the Annual Review in early February 2024.

9 – UK EITI Workplan 2023 – update

30. The UK EITI Workplan for 2023 has been updated. A number of actions, including the Payments Report and the EITI Global Conference have now been completed. The Beneficial Ownership due diligence check has been added. The only area where we may miss targets are the MSG’s role in the Energy Transition, including the consideration of any further environmental payments being disclosed.
31. The updated version will be uploaded onto the UK EITI website once the MSG is content. The Workplan for 2024 will be drafted in time for discussion at the November MSG.

10 – AOB

32. UK delegates in Dakar met with colleagues in Germany and the Netherlands, who have carried out some work on renewables and it was agreed that a follow-up meeting between the UK, Germany and Netherlands to discuss this work should be arranged.
33. The next meeting will take place on Wednesday 22nd November 2023.

Action points:

- Further information on the Open Government Partnership and National Action Plans to be circulated to the MSG. **(Action: UK EITI Secretariat).**
- An initial meeting between MSG Civil society representatives and Cabinet Office colleagues to be arranged to discuss possible participation in the NAP7 process. **(Action UK EITI Secretariat).**
- Consider engagement with the British Geological Survey (BGS) on the Comms & Engagement agenda. **(Action: UK EITI Secretariat and Tim Vickery).**
- The Compliance subgroup should meet to take an initial look at the key requirements of the EITI Standard and report back at the November MSG. UK Secretariat to seek further members interested in taking part in the subgroup. **(Action: UK EITI Secretariat and UK EITI MSG).**
- Meeting between German and Dutch secretariats and UK EITI Global delegation to be arranged. **(Action: UK EITI Secretariat).**