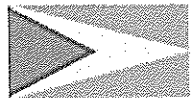


Extractive Industries
Transparency Initiative



Guyana

**GYEITI ANNUAL PROGRESS
REPORT, FY 2019**

GUYANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE

55 Main Street, Georgetown, Guyana

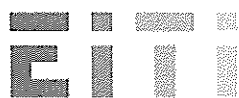
Tel: (592) 231 2504

Email: gyeiti@gyeiti.org

website: www.gyeiti.org

GUYANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE [GYEITI]

ANNUAL PROGRESS REPORT FY 2019



Extractive Industries
Transparency Initiative



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INTRODUCTION

In accordance with the new EITI Standard 2019, it is no longer mandatory for EITI implementing countries to submit Annual Progress Reports by 1st July of the following year. While Annual Progress Reports are no longer required by the EITI Standard, implementing countries are encouraged to publish them regularly. The MSG may decide when to prepare and publish Annual Progress Reports.

The GYEITI Multi-Stakeholder Group (MSG) has mandated the Secretariat to continue the practice of preparing Annual Progress Reports. This Annual Progress Report, FY 2019, despite severe constraints due to unusual political environment, compounded by the measures taken to curb the spread of the global covid-19 pandemic in 2020, has been completed and presented to the MSG for review and approval in October 2020.

GYEITI 3rd Annual Progress Report provides outlines, as clearly as possible, of the various categories of work undertaken by the Guyana Extractive Industries Transparency Initiative (GYEITI) National Secretariat and the Multi-Stakeholder Group for the fiscal year 2019.

GYEITI – A BRIEF HISTORICAL PERSPECTIVE

A brief history about the EITI path traversed by The Cooperative Republic of Guyana

- On 4th May 2010, in Georgetown, Guyana, Prime Minister Samuel Hinds met with EITI Regional representative Dr. Francisco Paris in Guyana and indicated that Guyana's interest in the Oslo Norway based International Association called the Extractive Industries Transparency Initiative (EITI).
- On May 15, 2012, Guyana's interest in EITI membership gained strength. This was depicted by the signing of a Memorandum of Understanding between the Government of Guyana and the Extractive Industries Transparency Initiative (EITI).
- In 2014 Government of Guyana commissioned a scoping study to determine the feasibility of implementing the EITI in Guyana.
- In 2015 a scoping report was completed and the path towards EITI candidacy proposed.
- In 2015, by way of Cabinet Decision, the Government of Guyana continued its pursuit of EITI Candidacy.
- In 2016 in Lima, Peru at the EITI Global Conference, Guyana's Minister of Natural Resources made a public announcement of Guyana's commitment to become an EITI candidate

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- During 2015-2016, the Cabinet of Ministers identified Ministry of Natural Resources as lead agency responsible for implementing the Guyana-EITI. Minister of Natural Resources, was appointed GYEITI Champion to lead the implementation. World Bank provided capacity building opportunities which led to the establishment of the first ever GYEITI Multi-stakeholder Group (MSG). The initial MSG continued to function throughout 2019. It comprises of four (4) representatives from each of the three sectors; civil society, private sector and government, all of whom were nominated in adherence to the relevant EITI Requirements.
- On 1st February, 2017, the Ministry of Natural Resources hired a National Coordinator and Deputy Coordinator to manage and operate the GYEITI National Secretariat from within the Ministry of Natural Resources.
- On 15th February 2017, the GYEITI Multi Stakeholder Group was officially launched. The GYEITI MSG is comprised of twelve (12) members; four (4) from each sector; civil society, industry and government. Each member has a designated alternate.
- On 18th August, 2017, after completing the sign-up steps and satisfy stipulated EITI requirements, Guyana, for the first time ever, submitted its EITI candidature application.
- On 25th October 2017, the EITI International Board considered and accepted Guyana's EITI Candidature application and declared that Guyana was eligible to commence EITI implementation.
- In accordance with the existing EITI 2016 Standard, GYEITI published an Inaugural Annual Progress Report FY 2017 before 1st July 2018 and an Annual Progress Report FY 2018 before July 2019. Although, per the new EITI Standard 2019, it is no longer a requirement, but only encouraged, the GYEITI MSG has made a decision that an Annual Progress Report for fiscal year 2019 be prepared, approved and published.
- As mandated by the EITI Standard, eighteen (18) months after acceptance of EITI Candidature application, and commencement of EITI Implementation, Guyana prepared, approved and published its 1st EITI Report on 25th April 2019. The 1st GYEITI Report formulated a number of recommendations, which are being implemented.
- The EITI International Board oversight is done through a process called 'Validation'. This is mandated by the EITI Standard to commence thirty (30) months after the country's EITI candidature application was accepted. Guyana's 1st Validation was scheduled for 25th April 2020. At the time of preparation of this Report, we were informed by the EITI International Secretariat that, due to the recommended policy to fight the global Covid-19 pandemic, Validation has been postponed for six (6) months, i.e. until 25th October, 2020

GUYANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE [GYEITI]

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- GYEITI commenced work related to the preparation of Guyana's 2nd EITI Report, which must be published by 31st December 2020, as mandated by the EITI Standard.

IMPLEMENTATION CHALLENGES

Guyana is being transformed, with recent discovery of large reserves of oil, to become one of the world's a major exporter of crude oil.

Guyana, being a relatively small economy with a population of approximately only 780,000 people, no experience in global petroleum operations, production and business, and new to an intricate global oil commercial market environment, would almost certainly encounter serious challenges.

In order for its citizens to adequately benefit from the abundance of revenues to be derived from the exploration and exploitation of this new resource, and all of Guyana's natural resources, astute, transparent and accountable governance and management are very important.

The GYEITI, within the confines of the EITI guidelines, is obligated to report on how natural resources revenues are collected and spent. In addition to ensuring that the legislative framework, contract and licensing procedures permit a level playing field for all investors, the EITI Standard requires the comprehensive disclosure of collection and payment of taxes and revenues, sale of state's share of production and other revenues collected in kind, infrastructure provisions and barter arrangements, transportation revenues, subnational payments, level of disaggregation, data timeliness and data quality in a fair and systematic manner.

Legislative reforms have been recommended in the 1st GYEITI Report. There is a lack of coordination among the relevant government agencies engaged in legislative reforms and the GYEITI is not being provided timely status update on these reforms engagements. Confidentiality concerns of government agencies, especially the Guyana Revenue Authority, have to be adequately addressed by the Government of Guyana in order to show that its commitment to implement the EITI is real and meaningful. In some EITI countries the entire EITI Standard became law, since the Government committed to implement the EITI to enhance the execution of its wider transparency and accountability policies.

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RECOMMENDATIONS OF GUYANA'S 1ST EITI REPORT

As mandated by the EITI Standard, Guyana published its 1st EITI Report on 25th April, 2019 on website www.gyeiti.org. The report provided fourteen (14) recommendations for improving the EITI Reporting processes in Guyana. See **Annex X**

CONTRACT DISCLOSURE AND BENEFICIAL OWNERSHIP DISCLOSURE

Contract Disclosure

As stated in the previous report the Government of Guyana began publishing Petroleum Contracts in December 2017. It announced that all Mineral Agreements will also be disclosed for public scrutiny and debates.

There was a significant change in requirement 2.4. The EITI Standard 2019, adopted by the EITI International Board at the EITI Global Conference in June 2019, now includes **Requirement 2.4. (a)**, which reads as follows: *“Implementing countries are **required** to disclose any contracts that are granted, entered into or amended from 1 January 2021. Implementing countries are **encouraged** to publicly disclose any contracts and licenses that provide the terms attached to the exploitation of oil, gas and minerals”.*

Beneficial Ownership

There was a significant change in EITI beneficial ownership requirement as the new EITI Standard 2019, now includes **Requirement 2.5. (c)**, which reads as follows: *“As of 1 January 2020, it is **required** that implementing countries request, and companies publicly disclose, beneficial ownership information.”*

The GYEITI National Secretariat has prepared a Beneficial Ownership Roadmap (See **Annex IX**). In October 2019, GYEITI successfully conducted a special capacity building Beneficial Ownership workshop with assistance from the EITI International Secretariat. All stakeholders were invited to participate.

MSG WORK PLAN – GENERAL OVERVIEW AND PROGRESS

This third GYEITI Annual Progress Report covers the period 1 January - 31 December 2019. It provides a summary of work plan activities undertaken, tasks accomplished and challenges as the GYEITI boldly embarked on the continuation of the execution of the MSG approved work plan, August 2017 – December 2019

During the year 2019 the GYEITI MSG and National Secretariat completed a number of the activities listed in the MSG approved work plan covering the entire period August 2017 – December 2019. A status as of 31 December 2019 is provided in **Annex I** of this Annual Progress Report.

GYEITI MULTI-STAKEHOLDER GROUP IN 2019

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GYEITI MULTI-STAKEHOLDER GROUP (MSG) - MEMBERSHIP

The GYEITI Multi-Stakeholder Group (MSG) as at 31 December 2019 is comprised of twelve (12) primary members (*see Annex II*) and nine (9) alternates (*see Annex III*). All primary members and alternates can attend MSG Statutory Meetings as per the approved MSG Terms of Reference (MSG TOR).

MAIN DECISIONS OF MSG

MSG Meetings during 2019 benefitted from the active participation of some of its members. The GYEITI MSG meetings were engaging and focused. Numerous decisions were made by the MSG for the period (*see Annex V*).

The functions, roles and responsibilities of the MSG in 2019 have been in full alignment with the Requirements of the EITI Standard 2016, and later, 2019.

MSG MEETINGS

In 2019 the MSG held a total of ten (10) or 83 % of statutory meetings. Membership attendance has been less than desirable and must be improved. All MSG Members and alternates prior to being appointed, signed a written commitment in which each one pledged to devote personal time and resources to the work of the GYEITI Multi-Stakeholder Group.

MSG Meeting Attendance Record can be viewed in *Annex IV* of this report. Three meetings were cancelled due to lack of quorum.

MSG WORKING GROUPS

IN 2019 the MSG established the following working groups:

1. Materiality and Data Analysis – Hema Khan - Chair
2. Legal, Regulatory and Institutional Framework Review – Ryan Ranjit - Chair
3. Communications and Public Outreach – Gomin Camacho - Chair
4. Finance & Budget – Gillian Pollard - Chair
5. MSG-IA Liaison – Eulienne Watson - Chair

In order to determine the scope of the EITI Report the MSG Materiality and Data Analysis Working Group, in collaboration with the National Secretariat, gathered and compiled key data and information. In 2019, initial requests for data and information were submitted to seven (7) government agencies, namely, Guyana Geology & Mines Commission (Land management, Mines and Petroleum divisions), Guyana Gold Board, National Insurance Scheme, Guyana Revenue Authority, Environmental Protection Agency, Ministry of Finance and the Department of Energy in advance, for the preparation of Guyana's 2nd EITI Report.

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The Legal, Regulatory and Institutional Framework working group prepared a legal framework review which was approved by the MSG.

The Finance and Budget working group convened and participated in budget formulation for FY 2019 and 2020.

The MSG-IA working group reviewed the 1st GYEITI report and gave consideration to the recommendations. The reporting government agencies were provided with copy of the recommendations with a request to consider how best to implement them.

GYEITI NATIONAL SECRETARIAT IN 2019

At the end of 2019, the GYEITI National Secretariat staff comprised of the National Coordinator and Deputy Coordinator, an administrative assistant and a communications officer.

The Secretariat remained an integral part of the Ministry of Natural Resources and benefitted from the Planning and Administration Budget of that Ministry. The GYEITI National Secretariat is not an independent budgetary agency. In 2019 the Ministry of Natural Resources provided office space, furniture, equipment, supplies, utilities and security, cost of which has been difficult to disaggregate in order to accurately ascertain expenditure of the Secretariat. The MSG has made repeated request to the Ministry of Natural Resources to provide the financial expenditure for the GYEITI, but this remains outstanding.

The National Secretariat also participated, together with MSG and Government of Guyana representatives, in the EITI Global Conference in Paris, France, held in June 2019. See report in *Annex VII*.

GYEITI held a special Retreat which was held on 5th December 2019 under the theme ‘**Build Trust, Strengthen Capacity**’. See Retreat Report in *Annex VIII*

GYEITI FUNDING

The Government of Guyana, Ministry of Natural Resources Programme I budget is the principal source of funding for the GYEITI.

In 2019 GYEITI benefitted from capacity building assistance from the EITI International Secretariat. A beneficial ownership workshop was successfully conducted in Guyana for all relevant stakeholders.

The USAID Guyana Extractive Sector Transparency (GYEST) Project offered GYEITI assistance. USAID contracted the Pan American Development Foundation (PADF) to execute the GYEST Project. In late 2019 PADF prepared a draft work plan which was approved by the MSG. Later, per request of the MSG a work plan estimated budget was prepared and submitted to the MSG. The Project entails capacity building for the GYEITI

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National Secretariat and MSG. As at 31st December 2019, this USAID-GYEST-PADF-GYEITI Project execution status was still a ‘work-in-progress’.

GYEITI COMMUNICATIONS AND PUBLIC OUTREACH ACTIVITIES, JAN-DEC 2019

In 2019 GYEITI MSG approved and published Guyana’s 1st EITI Report, which is comprised of a reconciliation part and a contextual part.

GYEITI also published relevant extractive sector and EITI information on its website. A comprehensive communications and outreach strategy is being prepared and expected to be completed, approved and published in 2020

In July 2019 the Ministry of Natural Resources provided the GYEITI National Secretariat with a communications officer. One of the first assignments was to prepare monthly GYEITI Newsletter using the publicly available data and information, including the content of the 1st GYEITI Report FY 2017

Moving forward, the GYEITI will continue to update its website regularly and will work make it more user friendly and interactive to also allow for mainstreaming. The MSG embarked on amending its communication and outreach plan to ensure that proper communications and outreach is carried out and that citizens are made aware of how natural resource revenues are collected spent and how contracts and licenses are allocated.

The GYEITI planned and conducted a number of communications and public outreach activities with the assistance of the communications officer. (See *Annex VI*). The GYEITI communications strategy and plan was not completed as at 31st December 2019.

Lack of capacity and funding are some of the reasons for inadequate public outreach and communication activities.

The GYEITI stands to substantially benefit more from the use of print and electronic media. More needs to be done on the communications front. GYEITI needs more communications products, greater access to, and interaction with, available government media resources and the relatively inexpensive electronic media. These avenues must be better explored and used. The GYEITI website needs to be improved and modernize in order to facilitate the changing EITI requirements, including mainstreaming, publicly available beneficial ownership register, publicly available licenses/contracts register and interactive communications with the public.

**GUYANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (GYEITI)
ANNUAL PROGRESS REPORT, FY 2019 – Annex I**

<i>WP Item</i>	<i>ACTIVITIES</i>	<i>DESCRIPTION</i>	<i>BY WHEN</i>	<i>Est. COST</i>	<i>STATUS</i>
1.2.a	National Secretariat	Admin. & Operations	2019	\$68,550	Completed
1.3.a	MSG - MSG Exchange and in person training	Mexico (4 pers.)	2019 Sept.	\$8,200	Not Completed
1.3.b	Included in 1.2.b & 1.3.a	Capacity building		0	
1.5.a	Legal & Regulatory framework review. Identify obstacles to EITI implementation. Attention to: 1. Confidentiality 2. Disclosure of beneficiary ownership info. 3. Special MOU to ensure disclosure for EITI reporting	Secretariat to prepare draft. Hire legal consultant to review draft and prepare final report with recommendations for appropriate EITI related legislative reforms. 6 Reports @\$3,500	2019 Jan-Dec 4 @\$3,500	\$14,000	The legal Review was prepared by National Secretariat and MSG WG No consultant hired to review.
1.5.b	Draft and final legislative, amendments, policy, new laws, regulations	Submit to MSG for review and approval	2019 Jan-Jul	\$4,500	Not Completed MNR and Government agencies GGMC, GFC and Department of Energy embarked on drafting legislations and amendments to legislation. Consultant not hired by GYEITI
1.5.d		ii) Gradually publish beneficial ownership registry on gyeiti.org			Partially Completed. Awaiting new Government's plan to proceed.
1.6.a	Document & discuss gov't's policy on disclosure of beneficiary ownership	i) Organize 8 workshops(4in 2018 and 4 in 2019) to identify	2019 Jan-Dec	\$2,500	Not Completed. MSG Working Group established and

**GUYANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (GYEITI)
ANNUAL PROGRESS REPORT, FY 2019 – Annex I**

	info. Roadmap model & best practices	and analyze legal provisions, disclosure practices and reforms (planned or in progress) in relation to BO			BO Roadmap completed.
1.6.c	Request companies to disclose BO info	i) Definition, thresholds, templates		\$4,000	Work-in progress, will be completed in 2 nd report. The anti-money laundering act speaks to the definition and threshold for Beneficial Ownership. Consultation was not done to finalize this. The template is usually prepared by an Independent Administrator.
	(15 meetings of working group; 1 every month @\$333) 2018, 3 Meetings 2019, 12 Meetings	ii) Define data collection procedures (timeliness, mechanism, security etc.)	2019 Jan-Dec (\$4,000)		MSG Working Group established. Not Completed
		iii) Define data quality / assurance			Pending
		iv) Pilot data collection / registry			Pending
		v) Lessons learned			Pending
		vi) Establish disclosure protocol for BO (as required by 01.01.2020)			Pending

**GUYANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (GYEITI)
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1.7	Commission Studies – Aimed at including other aspects of extractive sector in EITI Reporting	i) Artisanal and small-scale mining and quarrying	2019 June	\$40,000	Not Completed
		ii) Forestry Sector	2019 Sept	\$20,000	Not Completed
		iii) Expenditures on CSR and community projects	2019 Dec	\$20,000	Not Completed
2.2.a	Design, publish and regularly update website gyeiti.org and produce GYEITI and EITI information materials, bulletins, news briefs	MSG (8/11/17) agreed that MSG member Gomin Comacho will temporarily provide these services for a monthly stipend until other arrangements are made	2019 Jan-Dec \$3,600	\$3,600	Completed
2.2.b	Design draft versions of GYEITI reconciliation and Validation report	Independent Administrator, MSG & Secretariat	2019 March	\$70,000	Completed
2.2.d	Prepare communications products and customize EITI reports to suit various audiences, including hinterland and indigenous communities	i) Monthly / quarterly Newsletter ii) Press Releases iii) Newspaper articles iv) Radio & TV Talk Shows v) Social Media groups and blasts	2019 Jan-Dec	\$13,500	Not completed (See communications report)
3.2.a	Independent Administrator produces draft of 1 st GYEITI Report		2019 Jan	Cost Included in 3.1.b	Completed
3.2.b	3 Workshops to discuss review and approve GYEITI 1 st Report	MSG, NS	2019 Feb	\$3,000	Completed
3.2.c	Independent Administrator		2019 March		Completed

**GUYANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (GYEITI)
ANNUAL PROGRESS REPORT, FY 2019 – Annex I**

	produces final GYEITI 1 st Report				
3.2.d	MSG Reviews and submits 1 st GYEITI Report to EITI International Secretariat		2019 April		Completed
				\$271,850	

GYEITI ANNUAL PROGRESS REPORT, FY 2019 – Annex II

LIST OF MSG MEMBERS, DECEMBER 2019

NO.	NAME	TITLE	ORGANIZATION	CONTACT DETAILS (PHONE & EMAIL)
GOVERNMENT				
G1	Euliene Watson	GYEITI MSG Member, MSG Co-chair	Ministry of Natural Resources Government	ewatson@nrc.gov.gy 231-2509 (Office) Ext- 223 648-2747 (Cell)
G2	Godfrey Statia	GYEITI MSG Member, Commissioner General	Guyana Revenue Authority Government	commissioner@gra.gov.gy 227-6060 (Office) Ext-2702 620-1076 (Cell)
G3	Gillian Pollard	GYEITI MSG Member, Deputy Director, Budget Office	National Data Management Authority Government	gillian.pollard@hotmail.com 672-2552 (Cell) 231-8825, ext 206 (Office)
G4	Wallace Ng-See- Quan	GYEITI MSG Alternate	Office of the Prime Minister Government	wallace.ngseequan@gmail.com 600-7649 (Cell) 227-3101 (Office)
CIVIL SOCIETY				
CS 1	Curtis Bernard	GYEITI MSG Member MSG Co-chair	Policy Forum Guyana Civil Society	cbernard@conservation.org 624-6346 (Cell)
CS2	Gomin Camacho	GYEITI MSG Member	Policy Forum Guyana Civil Society	gomincamachocandy@gmail.com 671-1696 (Cell)
CS3	Larry Carryl	GYEITI MSG Member	Policy Forum Guyana Civil Society	lamoscarryl@gmail.com 655-1221 (Cell)
CS4	Paul Atkinson	GYEITI MSG Member	Indigenous People Representative Civil Society	paul_moruka@yahoo.com 672-2012 (Cell)

GYEITI ANNUAL PROGRESS REPORT, FY 2019 – Annex II

LIST OF MSG MEMBERS, DECEMBER 2019

INDUSTRY				
NO.	NAME	TITLE	ORGANIZATION	CONTACT DETAILS (PHONE & EMAIL)
I 1	Hilbert Shields	GYEITI MSG Member MSG Co-chair	Large Scale mining, Guyana Gold & Diamond Manufacturers Association Industry	hilbertshields@gmail.com 600-6161 (Cell)
I2	Patrick Harding	GYEITI MSG Member	Small & Medium scale mining. Guyana Gold & Diamond Manufacturers Association Industry	west.kaburi@yahoo.com 626-0297 (Cell)
I3	Deonarine Ramsaroop	GYEITI MSG Member	Forestry Guyana Forestry Products Manufacturers Association Industry	woodtechindustry@hotmail.com 619-4712 (Cell)
I4	Peter Dillon	GYEITI MSG Member	Oil & Gas Exxon-Mobil Industry	peter.a.dillon@exxonmobil.com 227-6594 (Office) Ext-12604 620-0303 (Cell)

GYEITI ANNUAL PROGRESS REPORT, FY 2019 – Annex III

LIST OF MSG ALTERNATES, DECEMBER 2019

NO.	NAME	TITLE	ORGANIZATION	CONTACT DETAILS (PHONE & EMAIL)
GOVERNMENT				
G1A	Joslyn Mckenzie	GYEITI MSG Alternate, Permanent Secretary Ministry of Natural Resources	GYEITI MSG Member, Permanent Secretary Ministry of Natural Resources	jmckenzie@nre.gov.gy 231-2519 (Office) Ext-213
G2A	Hema Khan	GYEITI MSG Alternate, Deputy Commissioner General	Guyana Revenue Authority Government	hkhan@gra.gov.gy 227-6060 (Office) Ext-3701
G3A	Tarachand Balgobin	GYEITI MSG Alternate,	Ministry of Finance, Government	tbalgobin@finance.gov.gy 623-0102 (Cell)
G4A	Tamara Khan	GYEITI MSG Alternate	Office of the Prime Minister Government	tkhan.opm@gmail.com 698-2088 (Cell) 227-3101 (Office)
CIVIL SOCIETY				
CS1A	Vanda Radzik	GYEITI MSG Alternate	Policy Forum Guyana Civil Society	vandaradzik@yahoo.com 648-8843 (Cell)
CS2A	VACANT			
CS3A	Mike McCormack	GYEITI MSG Alternate	Policy Forum Guyana Civil Society	mikemcc41@gmail.com 686-9513 (Cell) 227-4911 (Office)
CS4A	Laura George	GYEITI MSG Alternate	Indigenous People Representative Civil Society	kukuigok@yahoo.com 697-3093 (Cell)

GYEITI ANNUAL PROGRESS REPORT, FY 2019 – Annex III

LIST OF MSG ALTERNATES, DECEMBER 2019

NO.	NAME	TITLE	ORGANIZATION	CONTACT DETAILS (PHONE & EMAIL)
INDUSTRY				
I1A	VACANT			
I2A	VACANT			
I3A	Brian Gittens	GYEITI MSG Alternate	Forestry Guyana Forestry Products Manufacturers Association Industry	abagittens@gmail.com 619-4465 (Cell)
I4A	Ryan Ramjit	GYEITI MSG Alternate	Oil & Gas Repsol Industry	rramjitr@repsol.com 600-4286 (Cell)

GUYANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE [GYEITI] ANNUAL PROGRESS REPORT – ANNEX IV

GYEITI MSG MEMBERS AND ALTERNATES – MEETING ATTENDANCE RECORD, 2019 –												Of 12	2019			
APR 2019 – Annex IV												Total	%			
NAMES	CLASS	Jan 9 th	Jan 16 th	Feb 13 th	Mar 13 th	Apr 17 th	May 15 th	Jun 12 th	Jul 10 th	Aug 14 th	Sep 11 th	Oct 9 th	Nov 13 th	Dec 11 th		
GOVERNMENT SECTOR																
01	Eulienne Watson	PRI	1	1	1	1	0	1	1		1		1		9	75%
02	Joslyn Mckenzie	ALT	0	0	0	0	0	0	0		0		0		0	0%
03	Godfrey Statia	PRI	0	0	0	0	0	0	0		0		0		0	0%
04	Hema Khan	ALT	0	0	0	1	1	0	1		1		0		5	42%
05	Gillian Pollard	PRI	1	1	0	1	1	1	1		1		1		9	75%
06	Tarachand Balgobin	ALT	1	0	0	0	0	0	0		0		0		1	8%
07	² Omar Bissoon/ Wallace Ng-See- Quan	PRI	0	0	0	1	1	1	1		1		1		6	50%
08	³ Wallace Ng- See-Quan/ Tamara Khan	ALT	1	1	1	1	0	0	0		0		0		4	33%
	SUBTOTAL		4	3	2	5	3	3	4	0	4	0	3	0		
INDUSTRY SECTOR																
01	Hilbert Shields	PRI	0	0	0	1	0	0	0		0		0		1	8%
02	Ayaana Jean- Baptiste	ALT	0	0	0	0	0	0	0		0		0		0	0%
03	Patrick Harding	PRI	1	1	0	0	1	0	0		0		0		3	25%
04	Allison Butters- Grant, Deceased, not replaced	ALT	0	0	0	0	0	0	0		0		0		0	0%
05	Deonarine Ramsaroop	PRI	0	0	0	0	0	0	1		0		0		1	8%
06	Brian Gittens	ALT	0	0	1	1	1	0	0		1		1		6	50%
07	Peter Dillon	PRI	0	0	1	1	0	1	0		1		1		6	50%
08	Ryan Ramjit	ALT	1	1	0	1	1	0	1		0		1		7	58%
	SUBTOTAL		2	2	2	4	2	1	3	0	2	0	3	0		
01	Curtis Bernard	PRI	1	0	1	0	1	1	1		0		1		7	58%

GUYANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE [GYEITI] ANNUAL PROGRESS REPORT – ANNEX IV

02	Vanda Radzik	ALT	0	0	1	0	0	1	0	1	0	1	0	0	5	42%
03	⁴ Najuma Nelson/ Gomin Camacho	PRI	0	0	1	1	1	1	1	1	1	1	1	7	58%	
04	⁵ Gomin Camacho/ Najuma Nelson	ALT	1	0	0	0	0	0	0	0	0	0	0	1	8%	
05	Larry Carryl	PRI	0	0	0	0	1	0	0	0	0	1	1	3	25%	
06	Mike McCormack	ALT	0	0	0	1	1	1	0	0	0	1	4	33%		
07	Paul Atkinson	PRI	1	1	1	1	1	1	1	1	1	1	10	83%		
08	Laura George	ALT	1	0	0	0	0	0	0	0	0	0	1	8%		
	SUBTOTAL		4	1	3	3	6	5	3	4	0	5	4	0		
	GRAND TOTAL		10	6	7	12	13	10	8	10	0	11	0	10	0	

¹ There was no Meeting due to Lack of Quorum

² Wallace Ng See Quan replaced Omar Bissoon as Primary Member in March 2019

³ Tamara Khan Replaced Wallace Ng See Quan as Alternate Member in March 2019

⁴ Najuma Nelson had previously resigned and after some time elapsed, Gomin Camacho became Primary Member in March 2019

⁵ Gomin Camacho was elevated to Primary member in March 2019.

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NO.	MSG DECISIONS, TASKS, ASSIGNMENTS, 1 JAN – 31 DEC 2019	STATUS
001	Jan/1. Secretariat to draft Funding Strategy and submit to Finance Working Group on or before January 25, 2019.	Completed
002	Jan/2. Complete draft Standard Operating Procedure and circulate on or before next scheduled MSG monthly meeting.	Partially completed
003	Jan/3. The meeting recommended that the activities submitted by the communication working group be approved.	Completed
004	Jan/4. Secretariat will prioritize it's activities and submit to the Finance Committee for them to deliberate and make recommendations to the MSG.	To be completed in February
005	Jan/5. Meeting recommended IA subcommittee deal with the issue regarding the IA and subcommittee will make recommendations to the MSG about what the issues are.	Completed
006	Jan/6. The Meeting approved and made recommendations for approval of Legal Review by wider MSG.	Completed
007	Jan/7. The meeting agreed that the reporting entities will be the 9 mining companies, 2 bauxite, 9 oil and gas and 7 gold dealers, 2 large scale mining companies.	Completed
008	Jan/8. The Secretariat will begin dialogue with the companies to educate them about EITI process.	Unsure
009	Jan/9. Meeting agreed for materiality threshold to be set at \$50m and above.	Not stated
010	Jan/10. The meeting approved and made recommendations that MSG approve Reconciliation timetable.	Completed

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011	<p>Jan/11.</p> <ul style="list-style-type: none"> • Ms. Barker to send out memo listing the documents for MSG approval. • The meeting requested that the email state that if there are no responses it will be deemed approved. • There should also be a telephone follow up. 	Completed
012	Jan/12. MSG to approve Reporting Templates.	Completed
013	Jan/13. Workshop be specific to target all the Reporting Entities.	Completed
014	Jan/14. Approved documents to be sent to the IA immediately.	Completed
015	Jan/15. The meeting recommended that a costed work plan be developed to include steps to mainstream EITI implementation.	Completed, documents still a work in progress
016	Jan/16. Meeting made recommendation that no application be made for extension of time for submission of 1 st Report.	Completed
017	Feb/1. Draft Funding Strategy and submit to Finance Subcommittee	Not stated
018	Feb/2. Convene meeting with Finance Subcommittee to deliberate on Funding Strategy. Recommendations to be submitted to MSG at next scheduled meeting.	Not stated
019	Feb/3. Draft Standard Operating Procedure and submit to MSG.	Not stated
020	Feb/4. Secretariat to prioritize activities on work plan and submit to Finance Subcommittee. Recommendations to be made to MSG at next scheduled meeting.	Not stated
021	Feb/5. Develop costed work plan to include mainstreaming.	Not stated
022	Feb/6. Secretariat to continue ongoing sensitization of EITI to companies that did not attend workshop hosted by IA.	Not stated

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023	Mar/1. The MSG approved by consensus the Inception Report, Scoping Report, Reporting Timetable, Materiality Threshold and number of Reporting Entities.	Completed
024	Mar/2. MSG agreed to vote for Columbia as no 1 and Peru as No to on EITI Board.	Completed
025	Mar/3. Secretariat will prepare a one page status update of the Reporting process and submit to the MSG and Hon Trotman, Minister of Natural Resources and EITI Champion.	Completed
026	Mar/4. Mr. Ryan Ramjit was nominated the chair for the IA subcommittee.	Completed
027	May/1. The meeting agreed that the Secretariat will check with Mr. Joslyn McKenzie, to determine whether or not approval was given by the Ministry for the hiring of the IA's legal Officer.	Completed
028	May/2. The MSG recommended that a communications officer be hired to build capacity within the secretariat.	MNR provided Communications officer
029	May/3. MSG recommended that a consultancy firm be hired to assist with GYEITI communications.	Exhausted
030	May/4. Communication working group will draft the Terms of Reference for the hiring of a consultancy firm and submit to MSG for review and approval.	Exhausted
031	May/5. The MSG requested clarity on the funding strategy of the World Bank.	Completed
032	May/6. Secretariat will acknowledge receipt of the letter sent by Guyana Gold and Diamond Association (GGDMA) and duly inform that plans are being made to engage them on the issues and concerns raised.	Completed. Meeting held
033	May/7. Secretariat to present report on all media coverages of GYEITI and 1 st EITI Report.	Completed
034	May/8. IA working group to reconvene and review draft TOR for 2 nd EITI Report.	Completed

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035	May/9. Secretariat Report must include monthly financial statement of GYEITI	Completed
036	May/10. The MSG recommended the appointment of an independent spokesperson to speak on behalf of GYEITI on all matters concerning EITI.	Exhausted
037	May/11. The Retreat Programme and proposed agenda will be circulated to members for their input/ comments/suggestions.	Completed
038	Jun/1. The MSG agreed that the decision be modified in the minutes of the 27 th MSG meeting to reflect that the secretariat will write GGDMA concerning letter that appeared in press and engage GGDMA to discuss their concerns surrounding the 1 st EITI Report.	Completed
039	Jun/2. The secretariat will write GGDMA concerning letter that appeared in print media and also invite the executive members of GGDMA to a meeting to discuss their concerns surrounding the 1 st EITI Report.	Completed
040	Jun/3. The Financial Report submitted by the Secretariat be approved.	Completed
041	Jun/4. The TOR for the hiring of the Independent Administrator be finalized and submitted to MSG round robin for approval.	Completed
042	Jun/5. The MSG agreed that the secretariat draft an action plan with a list of all the recommendations, actions to be taken, responsible party and timeline for execution.	Completed
043	Jul/1. Secretariat will circulate the draft action plan for MSG review and consideration.	Completed
044	Jul/2. Secretariat to circulate the draft logo templates prepared by the International Secretariat for MSG review and subsequent approval of one.	Completed
045	Jul/3. Secretariat to prepare Report on 8 th Global Conference held in Paris, France.	Completed
046	Jul/4. The Secretariat will revise the sentences in its Report under “Work Plan activities” so that it is concise and clear.	Completed

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047	Jul/5. Ms. Hema Khan will submit briefing notes on legislative changes for disclosure of information by the Guyana Revenue Authority.	Completed
048	Jul/6. Meeting agreed that the Secretariat will resubmit the programme for the retreat for MSG consideration.	Completed
049	Jul/7. Secretariat will draft a report on the work completed on website by Ms. Camacho on a monthly basis and those proposed by the company. The report must state justifications for choosing one person over the other	Completed
PS:	MSG Meeting scheduled for August 2019 was not held due to lack of quorum.	No Quorum
050	Sept/1. The Secretariat will circulate the draft plan of action for the recommendations of the first EITI report for the MSG's review and consideration.	Completed
051	Sept/2. Secretariat to circulate the draft logo templates prepared by the International Secretariat for MSG review and subsequent approval of one. The meeting approved the proposed new logo.	Completed
052	Sept/3. Secretariat to prepare Report on 8th Global Conference held in Paris, France.	Completed
053	Sept/4. The Secretariat will revise the sentences in its Report under "Work Plan activities" so that it is concise and clear.	Completed
054	Sept/5. Ms. Khan will submit briefing notes on legislative changes for disclosure of information by the Guyana Review Authority. <i>Ms. Khan said that she will share the excerpt from the IMF study on the GRA's laws.</i>	Completed
055	Sept/6. Meeting agreed that the Secretariat will resubmit the programme for the retreat for MSG consideration.	Completed
056	Sept/7. Secretariat will draft a report on the work completed on website by Ms. Camacho on a monthly basis and those proposed by the company. The report must state justifications for choosing one person over the other.	MNR intervened assumed direct role with consultant Ms. Camacho an MSG member
057	Sept/8. The meeting then agreed that the Secretariat will not go ahead with the hiring of a Communications Consultant as	Resolved

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	Communications officer Nikolai Earle informed the MSG that he will undertake to get this done.	
058	Sept/9. A date of early November was agreed upon by the MSG for the hosting of the retreat.	Completed
059	Sept/10. Secretariat to ask MSG Sectors to commence nomination process to seek MSG members after completion of 3-year term of current MSG per TOR	Postponed
PS:	OCTOBER 2019 MSG MEETING	No quorum
060	Nov/1. The MSG decided that there will be no more printing of large amounts of documents which are now expected to be circulated electronically 5 days in advance of meetings and by way of computer, projected at MSG meeting.	Completed
061	Nov/2. A Group to be convened to examine all of the issues surrounding the delays in the hiring of the Independent Administrator and how this may affect Guyana's status. This group is to comprise the members of the MSG on the evaluation committee plus Mr. Mike McCormack.	Suggestion
062	Nov/3. The MSG members will provide feedback on the PADF draft work plan by Wednesday November 20, 2019. A proposed date of November 21, 2019 was identified for a meeting with PADF to further discuss the document.	Suggestion
063	Nov/4. The Secretariat will check in with members of the MSG to settle on the most suitable date the Retreat.	Completed
064	Nov/5. Action Plan for Implementation of Recommendations of 1st Report approved conditionally and a revised plan with PADF input to be submitted.	Partially Completed
065	Nov/6. GYEITI Annual Progress Report for 2018 to be submitted by December 31, 2019.	Completed
066	Nov/7. New Work Plan to be submitted by December 5, 2019.	Draft Completed
067	Nov/8. The secretariat will write the EITI Champion on the status of the MSG members' terms to move the re-nomination process forward.	Completed

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068	Nov/9. The MSG agreed that the EITI International will be written seeking an extension of Guyana's validation deadline.	Completed
PS:	DECEMBER 2019 MSG MEETING	No quorum

GYEITI PUBLIC COMMUNICATIONS OUTREACH & STAKEHOLDER ENGAGEMENT, 2019					
No.	Date	Brief Description	Location	Impact/Reach	Comments
01	January 2019	Participation in Public Sector Investment Programme for the MNR, Deputy Coordinator made a PowerPoint presentation		Information sharing about the work of the EITI Secretariat	
02	February 15, 2019	Workshop for reporting entities to brief parties about the EITI reporting process	Cara Lodge Suites, Woodbine Room, 294 Quamina Street, Georgetown.	Information sharing reporting requirements EITI	
03	May 2, 2019	GYEITI/MNR conducted media stakeholder engagement and media conference on the submission of the EITI report	Ministry of Natural Resources Annex, 55 Main Street, Georgetown.	To inform the general public and other stakeholders on EITI activities	
04	May 23, 2019	National Coordinator participated in outreach at Lethem on the invitation of the Centre for Local Business Development and provide updates on the EITI to the Rupununi Chamber of Commerce	Lethem	To inform the general public and other stakeholders on EITI activities	

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05	June 17-19, 2019	Secretariat, MSG participate in EITI Global Conference in Paris France	OECD Conference Centre, Paris France.	Networking and capacity building opportunity	
06	June 27-28, 2019	OGEC's Oil and Gas and Energy Conference	Pegasus Hotel, Guyana.	Capacity built on oil and gas issues	
07	June	Monitoring and Evaluation workshop, GGMC	Arthur Chung Conference Centre	Capacity built on monitoring and evaluation mechanisms	
08	July 15, 2019	GYEITI and GGDMA meeting to discuss the way forward following the release of the EITI Report	GGDMA office	To enhance the cooperation between the two entities as they seek to move forward now that the report has been released	
09	July 11-17, 2019	National Coordinator participated in budget 2020 workshop hosted by the Ministry of Finance		Capacity built on the requirements for budget preparation	
10	August 5, 2019	National Coordinator attended the Youth in Natural Resources 3 rd apprenticeship programme launch	Herdmanston Lodge	Presentation on EITI made to attendees	
11	August 13, 2019	GYEITI delivered presentation to at the town hall meeting of	National Library		

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		the Caribbean Youth Environmental Retreat	Office of the National Coordinator		
12	August 15, 2019	GYEITI held meeting with director of Mid-Atlantic Oil and Gas Mr Hewley Nelson		Clarity brought to a number of issues raised by Mr Nelson regarding the EITI requirements	
13	August 19, 2019	GYEITI held meeting with UK Department of International Development		Meeting sought to identify how the British Government could assist the country in implementing the recommendations of the EITI report	
14	August 26-September 1, 2019.	National Coordinator participated in Mining Week 2019 workshop	Arthur Chung Conference Centre	Capacity built on mining and related matters	
15	August 24, 2019	GYEITI participated in meeting on the EITI International Contract Transparency Committee		National Coordinator delivered presentation on the link between Contract Transparency and Wider National Reforms	
16	Sept 10, 2019	i. NS met with Norwegian Ministry of Climate and	Office of the National Coordinator	Clearer understanding of the work of the	

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		Environment representatives of the Norwegian Agency for Development Corporation (NORAD).			GYEITI, challenges and opportunities	
17	September 17-18, 2019	Mabaruma forum by CLBD	Dr Jadoopat		NC gave a presentation and provided highlights on Guyana's 1st EITI report.	
18	September 22, 2019	National Coordinator attended the celebration of the 70th anniversary of the founding of The People's Republic of China on	Arthur Chung Conference Centre.		Information sharing about the work of GYEITI to attendees on the sidelines of the event	
19	September 24, 2019	NS held meeting with representative from Ministry of Finance per request Mr. Anand Goolsaran.	National Secretariat office		Information sharing about the work of GYEITI	
20	September 26, 2019	A meeting was held with First Bauxite Director Mr. Ian Christie	Office of the National Coordinator		Information sharing about the work of GYEITI	
21	September 26, 2019	NS held meeting with representatives from NCN and Mr. Naim	Office of the National Coordinator		The parties discussed the various services	

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		Chan arranged by communications officer to discuss the Secretariat's possible use of their services to promote the work of GYEITI		each entity offered with a view to commencing programmes to promote the work of EITI in Guyana	
22	September 28, 2019	National Coordinator participates in NAACIE forum	NAACIE office	Sharing of information on GYEITI	
23	September 30, 2019,	Mr. Anand Goolsaran visited GYEITI and met with staff.	GYEITI office	Networked with the staff of the GYEITI	
24	October 1, 2019	Interview of Dr Jadoopat with host Naim Chan	CNS Studio	To share information with the public on GYEITI	
25	October 8, 2019	Interview on NCN	NCN Studio	To share information with the public on GYEITI	
26	October 24, 2019	Interview on the Vantage Point programme -	Guyana Chronicle	To share information with the public on GYEITI	
27	October 22, 2019	Public Outreach	Vreed en Hoop, West Bank Demerara	Members of the business community,	

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				residents, school children	
28	October 25, 2019	Capacity workshop building	Cara Lodge, Georgetown	Capacity building for Government officers, media, industry, and civil society	
29	December 5, 2019	GYEITI Retreat	Centre for Local Business Development	Capacity building, consensus building for MSG, Secretariat	

Prepared by: Nikolai Earle, Communications Officer GYEITI

Date: March 16, 2020

REPORT ON 8TH EITI GLOBAL CONFERENCE

Theme: Open Data, Build Trust

OECD Conference Centre, Paris France

18-19 June 2019

The Guyana delegation to the 8th EITI Global Conference, Paris, held for the period 18-19 June 2019 was led by Hon. Raphael Trotman, Minister of Natural Resources and included Dr. Rudy Jadoopat, National Coordinator, Ms. Diane Barker, Deputy Coordinator, Ms. Shondell France, Special Assistant to the Minister, MSG Members Gillian Pollard, Government Sector, and Gomin Camacho, Civil Society Sector.



The conference for EITI implementing countries provided a platform for stakeholders worldwide to meet, share and discuss information on progress and challenges in advancing EITI. It also provided a major opportunity for the EITI to discuss key issues with all EITI Stakeholders and the boarder international community and also to engage with new countries.

OBJECTIVES:

The specific objectives of the 8th EITI Global conference:

- ✓ provides a unique opportunity to reinforce the importance of multi-stakeholder dialogue and openness in addressing challenges in the extractive sector;
- ✓ provides an opportunity for heads of state, civil society activists and industry leaders to discuss emerging trends and best practices in the good governance of natural resources;
- ✓ address the use of multi-stakeholder approaches to governance in a polarized world, and examine the role of the EITI in the good management of the extractives sector, notably in growing domestic resources, tackling corruption, increasing investment and enabling civic space;
- ✓ the themes of beneficial ownership transparency, strengthening government systems through the EITI and scaling up the use of data generated by the EITI.

HIGHLIGHTS OF KEY ACTIVITIES:

A: Installation of New EITI Board:

- At the EITI Global Conference 2019, the New EITI Board for the period 2019-2021 was appointed and Former Prime Minister of New Zealand and UNDP head, Helen Clark was confirmed as the New EITI Chair.

B: A revised/New 2019 EITI Standard was Adopted:

The 2019 EITI Standard better supports national priorities for implementation by:

1. clarifying existing requirements
2. introducing flexibility to reduce the burden of reporting
3. Emphasizing comprehensive and regular disclosure of data through existing systems

The main changes in the 2019 EITI Standard include:

- i. Gender balance in MSG representation

- ii. Reporting requires employment figures disaggregated by gender, project and role, where available
- iii. MSG are required to consider access challenges and information needs of different genders and sub-groups
- iv. MSG are encouraged to document how they improved gender equality and social inclusion.
- v. Implementing countries are required to disclose any contracts and licenses that are granted, entered into or amended from 1st January 2021
- vi. MSG are expected to develop plans for disclosing contracts, integrates into work plans covering 2020 onwards
- vii. Reporting should describe what contracts are publicly available and where they can be accessed.
- viii. Reporting should describe government policy and actual practice.
- ix. Material environment payments to governments should be disclosed
- x. Disclosure of information related to environmental impact and monitoring is encouraged
- xi. Implementing countries are required to describe the rules and practices governing transfers of funds between State-Owned Enterprises (SOEs) and the State, including joint ventures and subsidiaries
- xii. Details on loans or loan guarantees provided by government and SOEs to mining, oil and gas companies should be disclosed, including the repayment schedule and interest rate
- xiii. MSGs can apply IMF definition of quasi-fiscal expenditures, when reporting material off-budget expenditures by SOEs
- xiv. Reporting on revenues from the sale of the state's share of production of oil and gas/or mineral resources should be disaggregated by sales contract (rather than by buyer)
- xv. Disclosures on the process for selecting buyers and of sales contracts are encouraged
- xvi. Buying companies are encouraged to disclose their payments to the state for purchases of oil, gas and minerals.

C: National Coordinators meeting and other Plenary sessions:

- Both the National Coordinator and the Deputy Coordinator of GYEITI participated at this forum. This forum provided the opportunity for representatives of the EITI International Secretariat to explain how the revised EITI Standard represented a further evolution in extractive transparency. The forum also created the platform for National Coordinators and other representatives of National Secretariats to openly express the challenges they face meeting the requirements of the standard. Some countries opined that it was already a challenge to meet the demands of the 2016 EITI Standard and that the additions to the revised 2019 EITI Standard will add further burdens for countries to fully satisfy the requirements.
- The World Bank and other donor agencies were present at the meeting and the meeting was duly informed about the availability and access of funding for EITI implementing countries especially those with a greater need for such assistance. The processes for accessing those funds were also explained.
- Dr. Rudy Jadoopat took the opportunity and raised a concern about donors offering assistance which are not always in alignment with the work plan priorities and national priorities and suggested that consideration be given to this. It was pointed out that donor assistance must be in be linked to the priorities of the respective national bodies. This comment and suggestion received support at the EITI National Coordinators' Meeting.
- Dr. Jadoopat, who is also a Member of the EITI Association, attended the EITI Members' Meeting which saw the installation of the New EITI International Board to serve during the period 2019-2022 and the Selection of a New Chair of the EITI International Board, former Prime Minister of New Zealand, Helen Clark.
- At a Beneficial ownership forum Dr. Jadoopat, took the opportunity and raised the concern of the possible security risks which can be associated with the disclosure of detailed contact information of businesses and beneficial owners in countries where crime is common. The concern was considered legitimate and important. The panelists indicated that in such cases, the Multi-Stakeholder Group can discuss and decide what contact information of which extractive entities in the report can be withheld and not published.

D: Panel Discussion

What is the big deal with extractives data and how can transparency stimulate domestic resources mobilization?

- This session showcased how the EITI requirements on granular, timely and open data on contracts, ownership and payments allow all stakeholders increasingly to follow the money on individual deals. This session included examples of how extractives transparency can help government raise the revenues that are owed to them and to create a predictable, stable, level playing field for companies.
- Hon. Trotman sat on one of the panels during this session with other high level government officials which dealt with Open Contract 2021. The session provided a platform for governments, companies and civil society to discuss the importance of contract transparency, the benefits for governments and industry and it explored strategies to undertake transparency reforms to meet the requirements of the 2019 EITI Standard.
- Hon. Trotman on contract transparency stated among other things that:
“I see scrutiny and transparency as a disinfectant, it stings and it burns but its healing and cleaning”.
- Hon Trotman also informed that the Government of Guyana has taken the initiative to publish contracts it entered into with Oil and Gas Sector companies with the future aim of publishing all contracts in the extractive sector. Hon Trotman’s presentation was well received and attracted loud cheers.
- Immediately after the Panel discussion was over Minister Trotman was appointed to serve on the EITI International Committee on Contract Transparency. Hon. Trotman reassigned that role to the National Coordinator, Dr. Jadoopat. Dr. Jadoopat participated in the inaugural meeting of the EITI Contract transparency Committee at the EITI Paris Conference.

E: Guyana’s achievements through the Pitch Booth and Exhibition Booth

Guyana participated in a pitch booth which was a platform for each country to share their EITI implementation success and achievement.

1. Guyana had a 60 seconds infomercial running on a big screen which highlighted segments of the 1st EITI Report.
2. Ms. Gillian Pollard spoke and explained the various sections of Guyana’s 1st Report.

3. Ms. Camacho gave the perspective of civil society and what the report means to the people of Guyana.
4. The presentation saw overwhelming support with several person anxious to ask questions.
5. Guyana also had a country stand which gave the opportunity to showcase the country's achievement through the implementation of EITI. Several items such as a hand booklet of the 1st Report, Lanyards, pens and other materials from the natural resource sector were displayed.
6. With Guyana in the spotlight as a major oil producing nation the booth received several enthusiasts anxious to know how EITI will assist Guyana in the management of the oil wealth soon to come.
7. Ms. Camacho, Ms. Pollard and Ms. Barker who manned the booth were able to provide answers to all questions.

F: Civil Society elated by changes made to Revised EITI 2019 Standard:

- Civil Society welcomed the changes made to the 2019 2019 EITI Standard in particular the approval of mandatory environmental reporting, contact transparency and gender balance. The new standard also places focus on beneficial ownership, state owned enterprises and project level reporting.
- **Environment:** What this new requirement means for civil society is that, more and more data from extractive companies will be made public and can therefore drive better informed advocacy work. The 2019 EITI Standard will cover material environmental payments by companies to governments and encourage disclosures of contextual information related to environmental monitoring.
- **Gender:** The 2019 Standard requires MSGs to consider gender balance in their representation and disclose employment data by company, gender and occupational level. It also addresses gender considerations in the dissemination of EITI data and encourages MSGs to document how they have taken gender considerations and inclusiveness into account.

Prepared by:

Diane Barker (Ms)
Deputy Coordinator

GYEITI Retreat Program

Build trust. Strengthen capacity

DECEMBER 5, 2019

FACILITATOR: MR. PATRICK HENRY, DIRECTOR CHLBD

RAPPORTEUR: MS. MELANIE SMITH

GYEITI RETREAT PROGRAM: BUILD TRUST. STRENGTHEN CAPACITY

Thursday 5th December, 2019

Introduction

In February 2017 The Government of Guyana established the Guyana Extractive Industries Transparency Initiative (GYEITI) National Secretariat within the Ministry of Natural Resources and appointed Dr. Rudy Jadoopat as National Coordinator and Ms Diane Barker as Deputy Coordinator. The Secretariat, which is part, and falls under the supervision, of the Ministry of Natural Resources, executes the decisions of the Multi Stakeholder Group (MSG). It is tasked with carrying out the day-to-day administrative and operational functions of GYEITI in adherence to the EITI Standard and all of the EITI Requirements.

The MSG is comprised of a coalition of approximately 24 government, industry, and civil society representatives, eight (8) from each sector of which 50 % are primary members and 50% alternates. The MSG is responsible for overseeing and implementing EITI in Guyana. The MSG prepares and approves its work plan, prepares and approves the annual EITI Reports, ensures that EITI contributes to the public debate and supports the work of the GYEITI National Secretariat.

The MSG and Secretariat held a one-day retreat on December 5, 2019 under the theme of “Build Trust. Strengthen Capacity”. The purpose of the retreat was to review the organization’s accomplishments, identify lessons learned and establish a framework for 2020 and beyond.

Prior to the official start of the day a heated discussion among attendees about the roles and responsibilities of the MSG, the Secretariat and individual staff within the Secretariat set the stage for a revised agenda for the day.

Following is a summary of the discussion and action items arising from the retreat.

OPENING REMARKS – HON. RAPHAEL G.C. TROTMAN, MP, GYEITI CHAMPION

Dr. Jadoopat, GYEITI National Coordinator welcomed the Hon. Minister Raphael Trotman and attendees to the retreat. Prior to inviting the Minister to make his remarks, Dr. Jadoopat noted that although the majority of the MSG members confirmed their attendance, many did not show up.

The Minister indicated that he had prepared some remarks, however in light of the empty chairs and some discord between the MSG and Secretariat, he wanted to comment on the health of GYEITI. He noted that while government does not wish to be the arbitrator, he recognizes government needs to be part of the solution. As a result, he focused his comments on the current status of the organization. The Minister made the following key points:

- The absence of so many stakeholders and evidence of discord within the organization, which reached the ears of the Minister, should serve as a wakeup call for GYEITI. This indicates that the organization must focus on improving attendance, more active participation and building trust at all levels.
- Guyana made a commitment to have EITI in place before first oil and this has been achieved. EITI is Guyana’s best example of a tri-partite system with government, industry and civil society coming together to give true meaning to article 13 of the Constitution. This is the best way to achieve goals since no one sector can achieve the goals on its own.

- Guyana is an enigma with fewer than a million people facing complex challenges that need to be resolved in the context of envisioned changes to come as a result of the new oil and gas industry.
- The Minister strongly recommended that GYEITI spend more time building trust and seeking ways to bring MSG members who no longer participate back to the table. He noted that the participants at the retreat appear to be deeply committed to the organization and are therefore the best group to start the re-building of the organization. He noted it will be important to address the fears of the mining community that EITI will destroy their businesses.
- In conclusion, the Minister commended the MSG and the Secretariat, emphasizing that GYEITI has made a good start and that all stakeholders need to work together to keep building momentum. He suggested that the organization begins this process by identifying what problems are hampering progress so that they can be fixed. He identified personality clashes and the need for inclusive decision making as among issues to be addressed. He commented that EITI would be a failure if the problems were not addressed.
- The Minister closed by recommending that the Retreat be conducted under Chatham House Rules and suggested that a second more substantive retreat be convened later with more industry members present.



Discussion Highlights

Patrick Henry, facilitator for the day, expressed appreciation for the Minister’s remarks and thanked him for allowing the group to revise the schedule to discuss organizational issues while the Minister was in attendance.

The facilitator suggested some discussion themes for the day arising from the Minister’s remarks. These included a focus on: Standard Operating Procedures, staffing models, building a more effective board and defining what is success for GYEITI. Mr. Henry also suggested that they consider fewer board meetings to encourage more people to attend.

Following are key discussion points raised during the Retreat. Names and identifying information have been removed to ensure comments remain confidential. The goal of the discussion was to review the organization’s performance since 2017; identify areas of success and concern; and develop an action plan for 2020 and beyond. Overall the discussion centered on three main themes:

1. The role and responsibilities of the MSG, the Secretariat and its staff
2. Industry concerns
3. Action Plan for 2020 and beyond

Accomplishments

Throughout the day, attendees highlighted and expressed appreciation for the progress that the Secretariat has made since 2017. The initial team of the National Coordinator and Deputy Coordinator has expanded to include a communications specialist and administrative assistant. The GYEITI team successfully published and submitted the first country report as mandated by the EITI Standard. The GYEITI is currently preparing to undergo the EITI Validation. Three MSG members are participating in the selection of an Independent Administrator to work on the preparation of Guyana’s 2nd EITI Report.

Roles and Responsibilities:

Participants unanimously agreed that the roles for the MSG, the Secretariat and individual staff within the Secretariat – as defined in Terms of Reference (ToR) documents – lack clarity and this has to be fixed.

It was also reported that the Civil Society Sector had reviewed the TOR and had made suggested edits and recommendations and that this could be circulated by the Civic Co-Chair for review by wider MSG for further input.

The group noted that the MSG currently meets on a monthly basis and is involved in operational decision-making either through the MSG or one of its subcommittees. Between meetings, the Secretariat sends numerous emails to the MSG individually or as a group for input or decision making. However, with the exception of a few people, many MSG members do not regularly attend meetings or respond to emails.

The volume of emails is a source of frustration for MSG members who feel inundated, while the Secretariat says that work is often held back due to a lack of response from the MSG. The Secretariat cited a newsletter mandated by the MSG that has not been launched for over four months because the MSG communications and outreach working group has not approved the content as an example of the challenges they face implementing the directives of the MSG. MSG members acknowledged that due to poor attendance at their meetings, they sometimes lack quorum to approve decisions which further slows down progress in meeting their goals and objectives.

The discussion revealed that some work is needed to find the right balance of detail when sharing information with the MSG. On one hand as noted above, the volume of operational information being shared by the Secretariat is too great, on the other hand some MSG members say that some information such as the Standard Operating Procedures (SOP) and annual work plan is too general and does not provide enough detail to allow proper oversight.

The MSG had a frank discussion about the strain of being involved at the operational level, attending monthly meetings, and participating in outreach activities while managing their own regular demanding jobs. They noted that subcommittee work was put in place to off-set a lack of human resources at the Secretariat to execute the GYEITI work. All present agreed that the organization should transition away from the subcommittee structure toward an adequately resourced Secretariat that will implement the work plan.

The group further agreed that the MSG must also revert to its oversight role and offer strategic support for activities such as outreach rather than operational support. Though two or three attendees expressed reluctance to reduce the number of MSG meetings, they reached a consensus to review the possibility to have quarterly meetings if the EITI Standard permits.

The participants also noted that there is actually no Chair of the MSG and that it had appointed three Co-Chairs – one from each of the three sectors. However, the current structure with three co-chairs has not been effective as it doesn't give clear reporting lines. This structure also hampers decision making at the board level.

“We set up the Secretariat to see if the structure would work and we clearly need to make changes”

“There is some interpersonal conflict within the Secretariat...the structure should be revised as the job descriptions / TORs for the Coordinator and Deputy jobs are exactly the same which causes confusion and leads to duplication of efforts and conflict between the two. The

Coordinator and Deputy should have clearly defined roles and responsibilities, job descriptions and clear division of labour"

"We should move away from subcommittees. People just don't have time for monthly meetings much less committees"

"Our terms of reference indicate monthly meetings...but not everyone comes. The MSG does not respond to emails and that slows the process down"

"The MSG sets the direction and the Secretariat is responsible for implementation"

"The MSG doesn't have a chair and it's a problem for the Secretariat and creates dysfunction. They have no one to report to"

Organizational Structure a Barrier to Implementation

All present agreed that the current organizational structure has become a barrier to full implementation of the work plan. The MSG acknowledged the accomplishments of the Secretariat in successfully submitting the first report, managing the web site and bringing onboard a communications specialist. They agreed that the Secretariat needs to be empowered and given the authority to make decisions and take on a more proactive leadership in order to meet goals.

Some participants pointed out that the Secretariat currently functions as a unit of the Ministry of Natural Resources (MNR) with the budget of the Secretariat falling under the MNR and the Minister as Champion and decision maker. This structure has sometimes caused difficulties for the Secretariat as there can be conflicting directions from the Minister, the MSG and/or a subcommittee. Secretariat personnel say that they are not always clear who makes decisions on which items.

The MSG commented that they became involved in day-to-day operations when it became clear that the Secretariat did not have capacity for the volume of work expected of them. They agreed that frequent board meetings and the sub-committee structure has not been effective. The Secretariat commented that the unclear decision making structure and the operational role of the MSG has diminished the leadership capacity of the MSG and rendered the Secretariat feeling criticized and demeaned by the MSG for not advancing the work plan when the EITI Standard and the existing mandate and structure do not provide autonomy to do the work.

All present agreed that the organization should immediately review and revise the organizational structure to ensure that the Secretariat has an appropriate level of capacity, human and financial resources to implement the work plan. A new structure should also ensure that the MSG revert to its oversight role wherein the MSG makes decisions, sets the direction of the organization and the Secretariat is responsible for execution of decisions and implementation. With an appropriately resourced Secretariat to implement the work plan, the MSG can work at the strategic level with government and industry to remove barriers to implementation.

"We have a Secretariat and they have made fabulous accomplishments so we need to know how to go from there"

"I believe the entire structure needs to change..."

"The Secretariat doesn't know who our instructions come from. Is it the Working Group? Is it the MSG? The Ministry? The National Coordinator?"

"I would like to see the Secretariat to be liberated and independent. I don't think three or four people can do all the work...We should re-structure to give the Secretariat more people and accountability"

"The MSG should have oversight and hold the Secretariat accountable"

Participants strongly believe that GYEITI should work towards becoming an autonomous or semi-autonomous agency. The Minister and all present agreed that more autonomy will result in greater accountability given that the organization will not have to depend on a supportive ministry for funding and decision-making.

"We need to decide what kind of entity we are and plan for 5 to 10 years. Do we want legislation to ensure autonomy? Do we want a Statutory body? Where do we want to see the entity in 10 years? In 10 years we will have USD \$7 billion. Where should transparency and accountability measurements be and what kind of measurements shall we have at the end of the decade?"

"Currently the Ministry decides who is hired and the MSG has no say. An autonomous or semi-autonomous agency can set out the performance factors and a three-year contract that you can monitor performance and decide to renew or not"

"We need to liberate and mandate the Secretariat to make decisions rather than coming in with a low threshold for decision making"

"Should we plan a different structure that is semi-independent or fully autonomous but there are legal and financial ramifications of this change. The entity can have its own decision-making body, management structure, budget with a tangential link to the ministry but how do we get more sectoral equity?"

Guiding Documents

GYEITI's work is governed by two key documents: the global EITI Standard that outlines the requirements applicable to countries implementing the EITI and Standard Operating Procedures being drafted by the Secretariat to guide their operations, based on EITI Guidance Notes #8, 14, 20 & 25. Participants spent some time discussing these guiding documents.

The EITI Standard is a living document

The Secretariat was praised for its adherence to the EITI Standard in guiding its approach to the work of the MSG. This has significantly contributed and enabled Guyana to complete its first report quickly and effectively while learning new processes that allowed it to comply with rigorous global standards for accountability and transparency. That said, the MSG observed that the Secretariat is taking a "fundamentalist" approach to the Standard rather than using it as a guide. They noted that the application of the EITI Standard needs to evolve to advance the country's work plan as our knowledge and experience grows. It was observed that due to a lack of flexibility or understanding the nuances of the Standard that two MSG positions remain open after the death of one member and the departure of another despite a willingness from Industry to fill the positions. Although there was some resistance from the Secretariat to changing how they apply the Standard, the MSG was firm that changes could be made as long as they adhere to the EITI Principles and the process was well documented.

"The Standard is supposed to evolve, it is not set in stone"

“The Standard isn’t the bible. Other countries use it as a guide book and use it to evolve otherwise we will be stultified”

Standard Operating Procedures

The development of Standard Operating Procedures (SOP) for the Secretariat has been somewhat contentious due to unclear roles and responsibilities within the Secretariat. The National Coordinator and Deputy Coordinator both see the document as their responsibility and have each drafted a SOP document and submitted it to the MSG.

The friction caused by the development of SOPs gave the retreat participants an opportunity to troubleshoot how to clarify roles within the Secretariat. MSG members recognized that the ToRs for the National Coordinator and Deputy are identical and agreed to ask an independent consultant to assist with completing the SOPs and revising the ToRs for GYEITI staff and the MSG. The MSG noted that updated Secretariat ToRs should build in flexibility and decision making authority for the staff and take into account the need for more proactive leadership from the National Coordinator. The National Coordinator must be given greater authority to manage and ensure that the work of the Secretariat is executed in a timely and professional manner by staff.

The attendees reached consensus that the main role of the National Coordinator should be to provide leadership in terms of guiding the vision of the organization, liaise with government, local and international bodies and acting as the key spokesperson for the organization while the Deputy can take the lead on the day-to-day operational side.

“As much as the Secretariat needs more human resources, a clear mandate is needed to ensure they can execute”

The MSG urgently needs to set out clear mandates to staff”

“The Secretariat needs better and more proactive leadership. When they are trying to be proactive, the MSG is not always helpful so it needs to be revised to be more functional”

“Boards in Guyana end up doing things that they should not be doing due to resource gaps. The person speaking for the organization should be the CEO...it is not effective to get board members to give free services. This should be staffed”

Industry Concerns

In light of the Minister’s observation about empty chairs in the room and the report that eleven (11) of the MSG committed to the Retreat but only six (6) were in attendance, the Retreat spoke in depth about the need for greater participation of industry representatives.

Meeting participants noted that several mining industry representatives on the MSG now rarely attend meetings, sometimes resulting in lack of quorum, decision backlogs and an absence of input into important decisions affecting their industry.

The Minister and industry representatives present at the meeting acknowledged that many in the mining industry do not fully understand the objectives of EITI and they worry about the impact of EITI implementation on their industries. The MSG listed a number of concerns they have heard from some of the miners, including:

- A belief that they are being manipulated to participate in EITI. Some did not understand that country participation is voluntary but once a country has signed on, industry participation is encouraged, while government disclosure of data and information becomes mandatory. They

believe they were told that EITI is voluntary and now feel forced to participate. EITI takes on a 'name and shame' impact.

- Concern that civil society will push implementation too far, too fast for industry to keep up
- Fear that environmental consultants are involved in EITI for financial reasons
- A feeling that EITI may eventually mainly focus on oil and gas and local people in the other extractive sectors, like mining can be left behind. Other sectors of the economy may be neglected.

While the MSG expressed an understanding for the concerns, they commented that some of the concern is due to a few industry leaders losing power to control how they operate. The MSG offered the example of large mining operators "hiding" the size of their holdings by distributing licences to family members and others to qualify as small or medium sized firms for tax, lower rental fees and other financial purposes. They pointed out this practice goes against the principles of transparency and accountability and with the Minister present, all agreed that the MSG rather than the Secretariat should work towards gaining the confidence and participation of mining industry representatives on the MSG.

The GYEITI Retreat meeting closed on a positive note with appreciation expressed to the facilitator and rapporteur, and to IPED/ Center for Local Business Development for providing the convenient and pleasant space, for the excellent catering support services and with well-wishes to each other.

"Some MSG industry representatives feel that oil and gas is the main focus and local people in different sectors are getting left behind. Secondly many feel they are being manipulated to participate in what they believed was a voluntary program but they are finding it is not voluntary. They are also not sure how EITI will impact on their industry. They fear environmental consultants are here for the money and civil society is going to push the program ahead"

"Mining and other sectors used to rule the roost now they feel they are losing power. Millions of USD move in and out of Guyana on a monthly basis and the wealth is staggering so some are doing very well"

The problem within the mining sector is that they think they are mostly small or medium but there are 20 large scale miners who are hidden...[Name of miner] has 220 licences over 200,000 acres and if you add his family its over 350,000 acres. The people who are resisting feel they have a lot to lose"

"I think EITI should take advantage of the fact that there are three sectors around the table to get the mining sector back on board"

"This is not a problem for the Secretariat it is a MSG issue. Maybe we need an outreach to the mining sector to talk to them individually and explain to them how it might work"

Action Plan: 2020 and Beyond

Having spent the first half of the day identifying areas of concern within the Secretariat and MSG, Retreat participants focused on identifying short and longer-term solutions to ensure GYEITI continues to meet its goals.

Action Plan 2020

1. MSG Tasks:

- a. Develop the 2020 work plan as a first step in identifying what human and financial resources are needed for implementation.
- b. Consider engaging an independent consultant with support from USAID-PADF to assist in developing job descriptions and TOR for Secretariat and Staff. Take into consideration technical

and leadership skills needed to meet organizational goals, especially in organizing and executing effective EITI Communications and Public Outreach Activities in all ten (10) regions of Guyana.

- c. Consider engaging an independent consultant with support from USAID-PADF to assist in developing Standard Operating Procedures for the Secretariat. Take into consideration that the MSG seeks to increase the autonomy of Secretariat staff to make day-to-day operational decisions and to be more proactively independent.
- d. Review and revise the TOR and existing structure and function of the MSG taking into consideration the optimum number of meetings per year, one chairperson, policies governing MSG and the subcommittee structure
- e. Organize and host an informal social event for the mining industry with financial support and participation from the Ministry of Natural Resources and informal participation of the Minister as soon as possible in December or January
- f. Assign relevant MSG members to meet informally with large and medium scale miners to open discussion about the role and purpose of EITI
- g. Plan and hold a second Retreat in January or February 2020 with greater participation from industry
- h. Begin developing Action Plan 2020-2025-2030 to provide a 5 to 10 year vision for GYEITI. Consider the Green State Development Strategy (GSDS) as this will impact data collection methodologies.

2. Secretariat Tasks:

- a. Implement work plan activities as directed by the MSG
- b. Support the development of new job descriptions & SOPs with USAID-PADF consultants
- c. Take a more flexible approach to the implementation of the Standard in recognition that certain changes are permitted if fully documented. These changes include but are not limited to requesting a deferral for the mandatory Validation.; replacing deceased or otherwise departed MSG members.

Action Plan 2020-2025-2030

1. GYEITI will engage in strategic planning to develop a 5 to 10 year vision and action plan. The Plan will consider the GSDS commitments to EITI; its vision for industry; and what kind of accountability and transparency performance measures are needed for Guyana
2. GYEITI recognizes that autonomy is critical to EITI's success. The organization will begin the consultations, legal reviews and financial planning to develop a work plan and timeline to achieve GYEITI's independence from the Ministry of Natural Resources.

Appendix

Following are lightly edited comments that may assist in developing the Work Plan. Identifying information has been removed to maintain Chatham House Rules

- To recap we have 3 plans to look at what actions we want to take in 2020; look at the recommendations in previous reports and what needs to be done; Plan 2030 to break off of the ministry. There is a report due this year and you hired a consultant before and have asked for a postponement.
- MSG has not yet been informed [by the Department of Energy, MotP] if the independent administrator was hired. We are now in December, we won't get it done by April but we have until Dec 2020 to complete it. If we hire in January we would get it done in 10 months. The concern is for the Validation. We hoped to get the 2nd report done by April to validate both reports but this won't be done. We won't be able to get Validation on the basis of the 2nd Report. MSG needs to consider Validation on the basis of the 1st report as we can implement recommendations of the 1st report so that we can move forward.
- Who decided the April report date? [The EITI Standard mandates that Validation commences thirty (30) months after the country becomes and EITI Implementing country, i.e. after the acceptance of its candidature application by the EITI International Board.]
- The MSG decided the 1st report had weaknesses with late data and a rush job. Therefore the MSG decided it would be good to get the 2nd report done in April [2020] so we can begin Validation
- The Independent Administrator for the preparation of Guyana's 2nd EITI Report has not been hired, due to a delay, as funds are coming from the World Bank through the Dept of Energy. They have never done the process before so they did an Expression of Interest, then they requested proposals. The proposal submission due date was Dec 4. Now they have to evaluate the proposals. The dept of energy is now another spoke in the wheel of the MSG. Due to the funding model it puts us in jeopardy.
- USAID-PADF people will [also assist with the implementation of] the recommendations [of the 1st Report]. If we can show evidence that that we are also working on [the implementation of these] recommendations then we are likely to be in a good position during the Validation.
- The three sector representatives are involved in the hiring process of the Independent Administrator for the 2nd Report
- The ToRs for the Independent Administrator includes a gap analysis and is not focussed only on the recommendations. The USAID-PADF people are to look at recommendations and look at how they include gender analysis and move forward.
- There was a concern expressed that it seems as though the MSG has no say over the implementation of the USAID-PADF project. GYEITI also needs to receive progress reports from PADF which go to USAID.
- The Ministry asked us to find a way to work with USAID. Ministry asked GYEITI to sit on the USAID selection committee, asked the National Coordinator to sit on the committee but they said they don't allow external people. They eventually allowed us to put the National Coordinator on as non-voting member.
- We wanted local content included in the work but they did not reflect this at all even though they said they would include our concerns.
- The 2nd report is in progress with the hiring of the IA; the implementation of recommendations from the first report are to be done with some assistance from USAID-PADF.
- There is no stipulation who is responsible for implementation but we would value their assistance

- Some recommendations are achievable within the reporting period some are not eg data system gaps. For next year we can improve industry participation and we agreed we need a plan to bring them back in we can at least get some back in. If we get Troy Gold and big companies that would make a huge difference. We should look at GRA. They are prohibited from sharing info and we used waivers for oil sector as there are only 9 but waivers won't work in gold and forestry. GRA doesn't like the waiver system and seem open to looking at a new sector
- We need to start to match action with mandates of staff; to develop a communications plan for outreach to the gold-mining community. MSG had stated this and that the gold & diamond industry sector representatives were to take the lead on this within their own constituency. [Enough was not done in this regard. Here is a gap that needs to be filled.]
- There was a recommendation to hold a social event - like a cocktail party to which the gold and diamond industry leaders would be invited so that informal discussions could take place. We can start the process with the social/informal event and then follow through on some further steps for the re-engagement of the gold and diamond industry with the GYEITI / MSG/MNR.
- The social event is just a mini step to break ice but as shortly as possible after that we need another step.
- Alphonso is the new president of GGDMA and he's on the Gold Board.
- There is a suggestion to focus on the gold miners in Bartica etc. We can come up with messages to target them but the Secretariat should not go alone to face miners who are angry about taxes and permits etc, so we need help from the MSG
- Going back to Hoyte's time. Burnham was far left but Hoyte came out and befriended the private sector despite some opposition from within his own party. And it was the private sector that ended up supporting him the most. He had cocktail parties and got to know Private Sector leaders socially then invited them to participate in the work. The speaker agreed with Minister Trotman to engage industry beginning with a social event to start.
- Starting with a drink works every time and we won't get all of them but we will get the most important ones.
- It was suggested that reverting the MSG to a strategic rather than operational role would allow them to advance the program more effectively. An example was given to suggest the MSG could approach the Office of President to work with GRA to release information that is currently restricted due to GRA Legislative framework, policy.
- It was reported that a the GGMC Board had commissioned a review of the Mining Act, which has been completed.
- The GGMC Board also recommended a full review and restructuring of the GGMC.
- GGMC is also making progress on upgrading and modernising its data, GIS and satellite systems etc.
- New mining licence regulations were just issued. So this will be helpful MSG reporting.
- In terms of the Independent Administrator (IA): Three representatives from MSG met and assessed the three short-listed candidates and had identified a preferred candidate but NPTAB makes the determination based on lowest cost - which may not match up with the best technical proposal.
- MSG representatives were asked not to discuss the selections of the IA- but took into consideration the views of the MSG. We wanted to exclude the previous IA but were told we could not exclude. We weighed the qualifications of the candidates and the strength of their technical proposals over their costs. One criteria is that they have to have experience with producing EITI reports. We also wanted a credible local content partner. Moore Stephens had two groups in the race and one is still included
- The MSG reps are following the laws of Guyana in this particular process and only if we become autonomous can we change this.

- There was a suggestion that the secretariat can bring in Perry Holloway as the owner of the biggest gold mining operation in Guyana, who also served as the USA Ambassador in Guyana, and who pushed for the establishment of EITI on Guyana.
- Perry was identified but not selected because they have to follow a specific process within the MSG for selection of representatives.
- We need to have gold industry represented on the MSG so the new GGDMA needs to give them info about MSG and we need them on board for the report
- We need to work with people who are like minded to start
- We are jumping on Perry Holloway but the Gold Board has been trying to put forward a name and the Guyana Women Miners Organisation (GWMO) have also put forward names.
- Two Industry sector MSG representatives are no longer on the MSG: Allison Butters Grant passed away and Ayanna Jean-Baptiste had to leave. So these persons need to be replaced by the Industry sector. The process has to be followed.
- A new person can be selected for the MSG from its relevant sector through an agreed upon open and transparent process. If there is a deviation from the Standard - then we can give a reason and document this as an explanatory note - just as is done in an audit.
- Both Industry and Civil society sectors have gaps in their representation.
- It was decided that letters would be written indicating where there are gaps in sector representation on the MSG indicating that the sector can convene to select relevant representatives in 45 days - or that the process can be opened up for other nominations - such as from the women miners in the case of Industry.
- It was also pointed out that there are MSG reps who continually miss meetings.
- It was recommended that the MSG ToR should be amended to reflect that people will be removed if they miss 3 consecutive meetings with or without an excuse
- The current MSG quorum is 9 and it was suggested that if the person misses 5 meetings in a year and we have to convene a meeting to discuss removal. [The quorum should be reduced to six (6) and missing 3 consecutive meetings will result in automatic expulsion or absenting from 5 meetings within any 12 month-period will result in automatic expulsion.]
- It was queried as to whether MSG participants at the "Retreat" could make decisions without a quorum. It was clarified that what was being put forward were recommendations, suggestions and guidance for moving forward.
- It was also suggested that a smaller quorum might be more practical.
- We can give guidance to PADF that we are suggesting a smaller quorum for MSG meetings/decisions. If we are using PADF, then they can be asked to include a lower quorum in the MSG ToR
- The Facilitator offered to send note to PADF to do an organisational chart and resource chart for 2020. We have Agreement to update the next report and do the Validation on the first report and take the steps to re-engage the gold and diamond mining industry by inviting them to a social event/cocktail party. We can talk about vision 2030 after we get the 2020 report for [FY2018] done using legislation and policy changes to establish an autonomous or semi-autonomous GYEITI. We have clear steps over the next 2-3 months to get the report done and Validation based on the 1st Report
- We need new ToRs to look at higher level of functioning of MSG and Secretariat AFTER we decide on the role of MSG and secretariat. USAID-PADF can propose ToRs.
- [With regards to creating greater public awareness, through public outreaches], we are in silly season with elections [scheduled for 2nd March, 2020]. We need to wait until after elections to take concrete action so as to safeguard MSG from any action that might be perceived as being politically biased.
- Women miners are very supportive and so are the mining syndicates.

- It was reported that one industry rep on the MSG set up a dinner meeting with the largest miner to discuss EITI. The way to get them to cooperate is to say legislation will come.
- The Coordinator shared information on guidance notes from the EITI web site. Look at Guidance note 20 about developing, implementing and monitoring recommendations from EITI reporting; note 23 on preparing for validation; note 25 on the National Secretariats.

Beneficial Ownership Disclosure Roadmap of the Cooperative Republic of Guyana

The aim of the EITI Standard 2016 for beneficial ownership is to make transparent and disclose who ultimately controls and receives the proceeds from licenses to extract a country's natural resources. The role of "politically exposed persons" is an area of particular concern. Many practices can obscure who are the true beneficial owners of a company. The use of one or more shell companies and/or proxy/nominee owners and directors are two such practices. It is therefore important to strengthen the legal framework in key areas and to ensure that information on beneficial owners are publicly accessible in registries.

It is worth noting that EITI's interest in beneficial ownership dovetails with that of the Financial Action Task Force on Money Laundering (FATF) and its regional affiliates. Thus, there will be a degree of complementarity on this topic between Guyana's pursuit of EITI compliance and compliance under FATF. Beneficial ownership and politically exposed persons are defined in **Guyana's Anti-Money Laundering and Countering the Financing of Terrorism Act 2009 (AML/CFT)** as amended.

The Anti-Money Laundering and Countering the Financing of Terrorism (Amendment) (No. 2) Act 2015 amends Section 2 (1) of the Principal Act define beneficial ownership as follows:

“beneficial ownership” means ownership by a natural person or persons who ultimately exercise individually or jointly voting rights representing at least twenty-five per cent of the total shares, or otherwise have ownership rights of a legal entity; or ownership by a natural person or persons who ultimately owns or controls a customer or the person on whose behalf a transaction is being conducted and includes those persons who exercise ultimate effective control over a legal person or arrangement.”

The AML/CFT Act 2009 defines a politically exposed persons as follows:

“any individual who is or has been entrusted with prominent public functions on behalf of a state, including a Head of State or of government, senior politician, senior government, judicial or military officials, senior executives of state-owned corporations, important political party officials, including family members or close associates of the politically exposed person whether that person is resident in Guyana or not”.

Other areas of the law that are complementarily important to ensure greater disclosure are the **Access to Information Act** and the **Integrity Commissions** which are fully functional and in order. These provide citizen groups, police and journalists the means of accessing information that might prove critical on PEPs (asset declarations, published salaries). Further the **Petroleum Regulations No 5 of 1986** make provisions for a body corporate who has a share capital to disclose the name of any person who is the beneficial owners of more than five per centum of the issued share capital.

According to the Extractive Industries Transparency Initiative (EITI) Standard (Requirement 2.5), as of 1 January 2020, all EITI implementing countries are required to disclose their ultimate beneficial owners (including politically exposed persons –PEPs) information for inclusion in the EITI Report. With the admission of the Co-operative Republic of Guyana as an EITI candidate country on October 25, 2017, Guyana is required to publish a beneficial ownership roadmap by July 2018, with the aim of full disclosure of beneficial ownership by January 1, 2020. It is against this backdrop that GYEITI have undertaken to identify six (6) objectives with planned activities that will ensure that the Cooperative Republic of Guyana achieve the objectives to satisfy requirement 2.5 of the EITI Standard 2016.

GUYANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE [GYEITI] ANNUAL PROGRESS REPORT, FY
2019 – ANNEX IX

Road Map of Beneficial Ownership of Guyana

Approved by GYEITI Multi Stakeholder Group on July 18, 2018

The Beneficial Ownership Roadmap will be reviewed monthly by the Working Group and subject to change with the approval of GYEITI Multi Stakeholder Group

Objectives	Planned activities	Outcome	Responsible Party	Timeframe	Budget	Status	Comments
Objective 1 Link BO disclosure with National Priorities Agenda on: -Transparency -accountability	1.1 Initial Meeting with Hon Raphael Trotman to discuss national priorities of the extractive sector and beneficial ownership. 1.2 Organize round table meetings for Parliamentarians (Natural Resources subcommittee) and heads of government organizations to have open discussion on beneficial ownership and its importance to the extractive sector	Understand national priorities of the country	National Secretariat (NS) & Working Group (WG)	September 30, 2018	Not Applicable	Completed	
Objective 2: Identify institutional framework for BO disclosure	2.1 Meeting officials Government Agencies/Entities,++ which register BO information and identify their framework for BO information.	Identify government entities/agencies will register and BO information.	Independent Administrator (IA)	March 2019	Not Applicable	Completed	

GYEITI is awaiting the Natural Resources subcommittee to confirm/reschedule a date for the meeting.

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Objective 3: Identify “Beneficial ownership” and Politically Exposed Persons terminology;	3.1 Draft Beneficial Ownership and Politically Exposed Persons terminology vis-à-vis international standards	MSG to agree to draft	National Secretariat/Working Group/Independent Administrator	July, 2018	Not Applicable (NA)	Completed
	3.2 Circulate draft to MSG for feedback and recommendation	Consensus from MSG terminology definition for Beneficial Ownership and Politically Exposed Persons	National Secretariat/Working Group	July 2018	Not Applicable (NA)	Completed
	3.3 Independent Administrator in drafting the definition of BO and PEP will consider definitions proposed by the MSG for MSG adoption	Consider and agree to the recommendations by the IA with regards to the definition of BO, the details to be disclosed about the identity of the BO, and approach for BO data assurance.	Independent Administrator	24 April 2019	NA	Completed
	3.4 Propose the details to be disclosed about the identity of the beneficial owners. This should include whether the beneficial owners are politically exposed persons (PEPs), drawing on existing definitions of PEPs and assets declarations if available.		Independent Administrator	24 April 2019		Completed
	3.5 Propose an approach for assuring		Independent Administrator	24 April 2019		Completed

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the BO data assurance for adoption by MSG							
Define BO threshold, level of detail through broader consultation with stakeholders	BO Stakeholders with engagement within the Extractive Sector, government agencies and other key Stakeholders	Stakeholders will arrive at consensus and fundamental document will be finalized (MOU)	Consultant/Working Group	July 2019	\$500,000	Incomplete	
3.7 Meeting Minister of the Ministry of Legal Affairs	GYEITTI will be informed about any amendments to existing legislation	Working Group/National Secretariat	July 2019			Incomplete	
3.8 Stakeholders engagement with civil society organizations	Civil Society will be informed about Beneficial Ownership and Politically Exposed Persons	Consultant	August 2019	\$500,000		Incomplete	
3.9 Issue joint press release to express Government and MSG position on BO disclosure issues into public	The public and interested stakeholders will be aware of government and GYEITTI position on BO disclosure	Government/GYEITTI Multi Stakeholder Group (MSG)	July 2019	\$72,000		Incomplete	

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Objective 4: Collect the BO information and assure the accuracy of data	4.1 Document existing beneficial ownership disclosure practices and policies across the extractive sectors and synchronize the registration system of government agencies which register and maintain BO information and improve information sharing within these government agencies in an open data format (xlsx or cvs) 10	Information collecting and sharing system will be synchronized Independent Administrator	Completed
4.2 Develop guidelines to reporting companies on how to identify their BO and complete the reporting template	Independent Administrator	24 April 2019	Not Applicable Completed
4.3 Distribute the BO template to companies included in the scope of the EITI Report, collect data and follow up on any missing or incomplete submission	Independent Administrator	24 April 2019	Not Applicable
4.4 Present the findings in the EITI Report	Independent Administrator	24 April 2019	Not Applicable
4.5 Provide comments on comprehensiveness and reliability of BO information and give recommendations	Independent Administrator	24 April 2019	Not Applicable Completed

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Objective 5:
 Complete disclosure of Political Exposed Person
 5.1 Draft BO amendments and create reporting template.
 PEPs will be reported completely.
 Independent Administrator
 24 April 2019
 Not Applicable
 Completed

5.2 GYEITI MSG agree on data assuring methodology
 Multi Stakeholder Group (MSG)
 July 2019
 Incomplete

5.3 Pilot information gathering process of beneficial owners Pilot assuring process of information gathered
 To test the information gathering process
 Independent Administrator
 TBA
 Incomplete

5.4 Collect and disclose BO information through GYEITI 2020 Report
 Independent Administrator
 March 2020
 Incomplete

This information will be incorporated in Guyana's 2nd EITI Report due in March 2020

Objective 6:
 Ensure BO Reporting system and information is disclose the BO publicly accessible information into public
 6.1 Link to other e- Public Engagement
 National Secretariat
 March 2020
 Incomplete
 Abbreviations
 National Secretariat – NS
 Legal and Regulatory Review Working Group – LRRWG
 Independent Administrator – IA
 Multi Stakeholder Group – MSG
 Guyana Extractive Industries Transparency Initiative -GYEITI
 Not Applicable - NA

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RECOMMENDATIONS OF GYEITI 1ST REPORT, PUBLISHED 25TH APRIL, 2019

Relevant recommendations and additional measures to be implemented in order to improve the EITI process in Guyana are summarised as follows:

List of recommendations (extracted from Guyana's 1st EITI Report)

N ^o	Recommendations
1	Mainstreaming the creation of an open data for EITI
2	Reporting at project level
3	Accuracy of export data
4	Public disclosure of a register of licences
5	Public disclosure of mineral agreements
6	Allocation of licences and permits
7	Accuracy of production data
8	Legislative reforms in the oil and gas sector
9	Organisational structure of GGMC
10	Data quality and assurance
11	Enhancing the industry participation
12	Accuracy and comprehensiveness of data included in the reporting templates
13	Use of unique identification number for all government Agencies
14	Waiving legal confidentiality restrictions

IN ORDER TO IMPROVE THE EITI REPORTING PROCESS IN GUYANA, THE FOLLOWING RECOMMENDATIONS ARE MADE:

1. MAINSTREAMING THE CREATION OF AN OPEN DATA FOR EITI

In accordance with EITI Requirement 4.9.c, the multi-stakeholder group may seek Board approval to mainstream EITI implementation in accordance with the 'Agreed upon procedure for mainstreamed disclosures. Data required to be published by the standard cover a vast range of information such as revenues collected by Government Agencies, transfers of funds, data on production, exports and register of active licences, when it is established that there is:

- (i) routine disclosure of the data required by the EITI Standard in requisite detail, and
- (ii) that the financial data is subject to credible, independent audit, applying international standards,

Although Government Agencies have provided several EITI data, financial data were not systematically subject to independent audits as required by Requirement 4.9.c of the EITI Standard.

Additionally, contextual information on the extractive industry, data on revenues collected and budget allocation are not yet subject to electronic publication in the form of interactive open data.

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In order to improve transparency and promote investment in the Guyana mining sector, we understand that an online Mining Cadastre Portal is currently being developed by GGMC.

In order to improve transparency in Guyana and comply with the requirement of EITI Standard, Government Agencies should set-up an open EITI database in the government systems by:

- *implementing and upgrading a cadastral system with adequate details such as data about the shareholders and the beneficial owners of the companies;*
- *enhancing the current management information systems of the Government Agencies involved in the GYEITI process (i.e. GRA, GGB, GGMC, NIS, EPA, MoF) in order to allow, among other benefits, systematic publication of EITI data required to be published in the EITI report;*
- *capacity building and raising awareness of government officials on transparency and open data disclosure; and*
- *implementing /updating manual of procedures for relevant Government Agencies to put processes in place to ensure timeliness, quality of data and cost effectiveness of the systems.*

2. REPORTING AT PROJECT LEVEL

EITI Requirement 4.7 requires reporting of EITI data at project level in certain circumstances. provided that it is consistent with the United States Securities and Exchange Commission rules and the forthcoming European Union requirements.

In Guyana, several licence holders operate in different regions and they may own several licences accordingly. Government Agencies were not able to report EITI data per licence, per region or at project level. This was the case for GGMC and GGB that did not report royalty payments and production details by project. Similarly, for GRA where the system is such that it presents information by TIN and does not necessarily capture exports data or payments by project or by licence.

We recommend that Government Agencies ensure that disaggregated payment flows, exports and production by projects can be made available in order to allow the reporting of relevant data at project level by:

- *improving the information systems of Government Agencies such as GGMC, GGB, NIS and GRA in order to include the relevant modules for reporting exports data, revenue collections, and production data at project level. and*
- *updating the tax declaration processes and forms to be submitted by extractive entities for GGMC, GGB and GRA in order to mainstream information about disaggregation and reporting at project level wherever applicable.*

3. ACCURACY OF EXPORT DATA

EITI Requirement 3.3 refers to the disclosure of export data for the fiscal year covered by the EITI Report, including total export volumes and the value of exports by commodity, and when relevant, by state/region of origin.

We note that Government Agencies' records on exports were different from one another as well as from the companies' records. We understand that GGMC and GGB do not systematically crosscheck exports data GRA's records to identify the potential discrepancies. Instances of discrepancies between government and companies' records are as detailed below:

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Exports declared by GRA

GGB's records on Gold exports for a licence holder is different from GRA' records as detailed below.

Table 1: Reconciliation of exports declared by GRA and GGB

N°	Companies	Solid Minerals Types	Declared by GGB		Declared by GRA		Difference	
			Quantity (Oz's)	FOB Value (GYD)	Quantity (Oz's)	FOB Value (GYD)	Quantity (Oz's)	%
6	Troy Resources Guyana Inc.	Gold	66,024	Not reported	21,077	4,707,701,425	44,947	68%
Total			66,024	-	21,077	4,707,701,425	44,947	68%

Source: Reporting templates of Government Agencies

Similarly, GGMC's records on exports show a discrepancy with exports reported by GRA's records as detailed below:

Table 2: Reconciliation of exports declared by GRA and GGMC

Companies	Solid Minerals Types	Declared by GGMC		Declared by GRA		Difference Quantity (m/carat)	Difference value (GYD)
		Quantity (m/carat)	FOB Value (GYD)	Quantity (m/carat)	FOB Value (GYD)		
Excel Minerals Inc.	Diamond	6,712	179,676,620	5,020	122,002,967	1,693	57,673,653
Total		6,712	179,676,620	5,020	122,002,967	1,693	57,673,653

Source: Reporting templates of Government Agencies

Exports declared by GGB

Likewise, GGB reported export volumes and values by exporter that were different from the company declarations as detailed below:

Table 3: Reconciliation of exports declared by GGB and reporting companies

N°	Companies	Solid Minerals Types	Declared by companies		Declared by GGB		Difference Quantity (Oz's)
			Quantity (Oz's)	FOB Value	Quantity (Oz's)	FOB Value	
1	Mohamed's Enterprise	Gold	121,538	30,764,264,587	121,552	Not reported	(14)

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No. Companies	Solid Minerals Types	Declared by companies		Declared by GGB		Difference Quantity (Oz's)	
		Quantity (Oz's)	FOB Value	Quantity (Oz's)	FOB Value		
2	El Dorado Trading	Gold	266,006	Not reported	114,017	Not reported	151,989
3	Excel Minerals Inc.	Gold	10,567	2,723,736,515	11,089	Not reported	(522)
4	GBTI Property Holdings Inc.	Gold	1,714	455,594,480	1,834	Not reported	(120)
Total			399,825	33,943,595,582	248,492	-	151,333

Sources: Reporting templates

Exports declared by GGMC

GGMC reported exports data on diamonds that were different from those reported by the company are detailed below:

Table 4: Reconciliation of exports declared by GGMC and reporting companies

Companies	Solid Minerals Types	Declared by GGMC		Declared by companies		Difference Quantity (m/carat)	Difference value (GYD)
		Quantity (m/carat)	FOB Value (GYD)	Quantity (m/carat)	FOB Value (GYD)		
Excel Minerals Inc.	Diamond	6,712	179,676,620	5,020	122,002,967	1,693	57,673,652
Total		6,712	179,676,620	5,020	122,002,967	1,693	57,673,652

Sources: Reporting templates

We recommend that both GGMC and GGB implement automated controls to ensure the comprehensiveness of the export data reported by mining companies and to develop analysis tools to ensure consistency of exports data with the production data. This may include:

- putting in place a computerised system allowing the update and oversee of this data;
- collecting data from mining companies on a common and accessible IT platform for the relevant Government Agencies; and
- performing monthly control of exports data collected from various Government Agencies to prevent discrepancies in disclosed data.

4. PUBLIC DISCLOSURE OF A REGISTER OF LICENCES

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EITI Requirement 2.3 (a) states that the term licence refers to any licence, lease, title, permit, contract or concession by which the government confers on a company or individual rights to explore or exploit oil, gas and/or mineral resources.

The EITI Standard requires implementing countries to maintain a publicly available register or cadastre system with the following up to date and comprehensive data regarding each of the rights pertaining to companies included in the EITI Report:

- i. Name(s) of licence holder(s);
- ii. Coordinates of the licensed area;
- iii. Date of application, date of award and duration of the licence; and
- iv. In the case of production licences, the commodity being produced.

A centralised cadastre system does not currently exist as required by the EITI Standard. We note that separate lists of licences and permits active during 2017 have been maintained by GGMC. The list of claims is computerised, but the records of mining licences and permits were kept manually using different spreadsheets.

Furthermore, the register of licences and permits does not provide detailed information as listed above in accordance with the EITI Standard.

We also note the following weaknesses with regards to the list of active licences and permits submitted by GGMC:

- TINs of the extractive entities were not stated and as a result it was difficult to identify the companies, especially that they did not bear any other identification number. The only means of identifying the licences awarded to a same licence holder was by the entity's name, which was misspelt from one licence/permit/claim to another. This could lead to inaccurate compilation of data by licence/permit holder and it does not allow GGMC to conduct proper analysis on the rental fees due by each extractive entity;
- the lists of rights do not necessarily include the names of extractive entities for which GGB reported production. These missing extractive entity names include Grey Wolf Resources, *Tesouro Resources*, *J & D Mining*, *Wal Jays Mining*, *Harpy Investment*, *Higgins Winslow Theophilus*, and Adamantium Holdings; and
- data on the licensed area detailing the coordinates and surface in the licences, dates of application, dates of award, duration of the licence, are not systematically stated for each right's details. We understand that the information is yet to be compiled electronically from the hard copies.

The comprehensiveness of the licences registry system is extremely important to ensure the completeness of the EITI scope. Additionally, the lack of centralised and up to date mining cadastre which summarises all the concessions/licensed coordinates in a single national data system, is critical to allow GGMC to both fulfil its licensing authority duties and to ensure an effective oversight of the extractive industries.

We recommend that an inventory of all active licences should be undertaken in order to capture all relevant details from each licence as required by the EITI Standard. Once the register of licences is comprehensive, GGMC should ensure that the cadastre is kept up to date and that all data on licences is systematically recorded therein.

The register of licences and permits should include TIN of current licence holders or any other identification number rather than using companies' or individuals' names. TINs allow the tracking payment collections efficiently, which

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would facilitate the corroboration of data on the payment lists as well as communication between two Government Agencies.

The development of the online cadastral portal should be expedited in order to make publicly available the mining cadastre as required by the EITI Standard.

5. PUBLIC DISCLOSURE OF MINERAL AGREEMENTS

In accordance with Requirement 2.4 (a) of the 2016 EITI Standard, Implementing countries are encouraged to publicly disclose contracts and licences that provide the terms attached to the exploitation of oil, gas and minerals.

The Mining Act (1989) does not include any express restrictions on the public disclosure of mineral agreements and licences by the government. However, mineral agreements are not currently available electronically.

We note that the mineral agreement signed with “Aurora Minerals” on 18 November 2011, does not provide for any restrictions on the public disclosure of the mineral agreement.

Furthermore, we understand that a common model agreement that provides the standard terms attached to the management of mines, does not exist.

We recommend that the GYEITI Secretariat maintain an archive of copies of all active mineral agreements is available.

Additionally, we recommend that the GYEITI MSG sets out a work plan for the publication of all mineral agreements in the mining sector. This work plan may include the following:

- *defining how the electronic publication of mineral agreements can be undertaken;*
- *the steps required for all mineral agreements to be published electronically and how to make these accessible to the public;*
- *a realistic timeline as to when such data could be available; and*
- *performing a review of the institutional or practical barriers that may prevent such electronic publication.*

6. ALLOCATION OF LICENCES AND PERMITS

EITI Requirement 2.2.a warrants the disclosure of information related to the award or transfer of licences pertaining to the companies covered in the EITI Report, including: a description of the process for transferring or awarding the licence; the technical and financial criteria used; information about the recipient(s) of the licence that has been transferred or awarded, including consortium members where applicable; and any non-trivial deviations from the applicable legal and regulatory framework governing licence transfers and awards.

We note that several mining permits, covering plots in the same location as per GGMC list of permits, had been awarded on the same date to the same applicant following the award process of medium scale mining permits instead of following the award process for large-scale mining licences. The total combined acreage of several mining permits awarded during FY 2017 to a same applicant exceeded 1,200 acres which is the maximum surface for a medium scale mining permit. If these plots had been combined, they would have exceeded 1,200 acre threshold and would have been categorised as being “large scale tenures”, which would involve paying higher rental fees and the licence award procedure requiring further approvals from other Government Agencies.

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Additionally, the list of active mining permits shows that several plots were held by the same extractive entity and within the same location. The combined surfaces of these mining permits exceed 1,200 acre threshold in several instances. Such mining permit holders may need to be categorised as large-scale extractive operators as defined by the current legislation whenever it is established that the relating plots run consecutively one after the other. The annual rental fees due by large scale operators is USD 3 per acre as opposed to USD 1 per acre for medium scale mining operators. The total shortfall to the government as a result of such errors may reach considerable amounts per annum.

Furthermore, the Mining Act (1989) allows the Commission to conclude agreements with applicants through direct negotiation without any requirement to follow any tendering procedures.

We recommend that GGMC considers the amendment of the awarding procedures in order to include the clear definition and distinction between large scale licences and medium scale permits. In order to comply with the legal awarding process of mining permits and large-scale mining licences set by the Mining Act (1989), we recommend that GGMC considers taking into account the combined acreage of the permits when awarding them to the same applicant and when the plots are continuous.

We also recommend a review and an update of the list of current active mining permits in order to comply with the definition of the large scale mining licence given that several of them cover neighbouring plots for the same extractive entity and exceed 1,200 acre when combined.

In order to address under-exploitation of mining licences covering large plots by investors that might not have the required technical and financial capacities, we recommend applying tendering process for awarding mineral agreements.

7. ACCURACY OF PRODUCTION DATA

EITI Requirement 3.2 requires the disclosure of production data for the fiscal year covered by the EITI Report, including total production volumes and the value of production by commodity. In order to maintain accurate and comprehensive records of production, GGMC and GGB are the Government Agencies that are responsible for maintaining reliable production data in order to assess the companies' liabilities in terms of royalties on production and the subsequent monitoring of their payments.

We note that the minerals' production data at both GGMC's and GGB's levels do not match production volumes declared by the extractive entity retained in the reconciliation scope as set out in the following table:

Table 5: Reconciliation of production data

Company	Unit	Companies		GGMC Quantity	GGB Quantity	Difference in Quantity
		Solid Minerals Types	Quantity			
Troy Resources Guyana inc.	Oz's	Gold	57,207	66,024	66,024	(8,817)

Source: Reporting templates

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We understand that Extractive Entities may not systematically declare their respective production consistently every month. We also note that GGMC and GGB do not have their own procedures and systems in place to collect and control production data reported by mining companies.

In addition to declarations submitted, we recommend that GGMC and GGB:

- *set-out procedures to ensure the comprehensiveness of the production data reported by extractive entities and implement a computerised system to monitor and update the data on a monthly basis. This would improve both GGMC's and GGB' ability to reconcile royalties and other non-tax payments with production data and investigate any discrepancies; and*
- *provide the GYEITI MSG with a comparison of the production volumes declared by extractive entities with the measurements made by GGMC and GGB throughout the year.*

8. LEGISLATIVE REFORMS IN THE OIL AND GAS SECTOR

The Guyanese upstream oil and gas sector is governed by the Petroleum Exploration and Production Act (1986) and the Petroleum and Exploration Regulations (1986). The Government of Guyana is currently undertaking several reforms in the preparation for the emerging oil and gas sector such as the Petroleum Exploration and Production Bill which will repeal and replace the current Act and Petroleum Environmental Production Pollution Control Regulations as well as the Petroleum Health and Safety Regulations which are currently being reviewed.

The oil and gas sector in Guyana are currently in the production phase, which is expected to start in the beginning of the year 2020. However, to date, the reform of the Petroleum Exploration and Production Act is still in progress. This situation does not allow a favourable investment environment for petroleum companies to carry out intensive exploration and production activities.

In order to promote a favourable legal environment for investment and in a bid to boost the confidence of private operators in the country, we recommend that the GYEITI MSG follows up with the Department of Energy at the Ministry of the Presidency in a bid to accelerate the reform of the petroleum legislation and how to address any technical barriers delaying the process.

9. ORGANISATIONAL STRUCTURE OF GGMC

GGMC is currently divided into five technical divisions namely:

- Geological Services Division;
- Mines Division;
- Environment Division;
- Petroleum Division; and
- Land Management Division.

As part of reforms currently being undertaken by the Government of Guyana, a new body named Petroleum Commission of Guyana is being created and which will have the responsibility for monitoring and ensuring compliance with the policies, laws and agreements for petroleum operations. It will also, be responsible for ensuring compliance with health, safety and environmental standards. Although petroleum production in Guyana is meant to begin in early 2020, the Petroleum Division of the Guyana Geology and Mines Commission (GGMC) is still responsible for the monitoring exploration activities in the oil and gas sector.

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As such, we recommend that the current structure of GGMC be reviewed in order to accommodate the Petroleum Commission.

We recommend therefore that a thorough review of the current organizational structure of GGMC should be undertaken with a view to identifying governance structures best suited to allowing and encouraging greater accountability and transparency in all extractive industries including the petroleum sector.

We understand that an organizational review is currently underway and that a recommendation to award the contract was made during the period of this report.

10. DATA QUALITY AND ASSURANCE

EITI Requirement 4.9 requires an assessment of whether the payments and revenues are subject to credible, independent audit, following international auditing standards.

The reporting period for entities retained in the reconciliation scope started with a training workshop held on 12 February 2019 and the reconciliation phase ended on 24 March 2019. All information submitted within this reporting period has been considered in the GYEITI report. As part of the procedures set to ensure the reliability of the data reported to the Independent Administrator during the reconciliation process as detailed in Sections 5 and 6 of the report, reporting entities were asked to provide signed copies of their reporting templates, a confirmation from an external auditor for extractive entities and by the Auditor General for Government Agencies, that the reporting templates were prepared based on the audited financial statements, along with a copy of the audited financial statements. We note that:

- two (2) extractive entities, namely Troy Resources Guyana Inc. and El Dorado Trading, did not submit reporting templates signed by senior management;
- only Pure Diamond Inc. submitted reporting templates certified by an external auditor and all of the other thirty-two (32) extractive entities did not submit reporting templates certified by an external auditor as detailed in Annex 5 of this report;
- All of the reporting templates submitted by GRA were not signed by an authorised officer and the Ministry of Finance submitted two reporting templates signed by an authorised officer but not for the remaining thirty-one (31) entities retained in the reconciliation scope;
- none of the Government Agencies submitted reporting templates certified by the Auditor General; and
- GGMC, GRA, EPA and NIS did not submit their respective audited financial statements.

This is an important part of the EITI reporting process that has not been complied with, which can be viewed as lack of reliability of the data submitted. We recommend that the instructions for next year's reporting emphasize the importance of complying with this process.

11. ENHANCING THE INDUSTRY PARTICIPATION

We understand that the current statutes do not make EITI reporting mandatory. The reporting period for entities retained in the reconciliation scope started with a training workshop held on 12 February 2019 and the reconciliation phase ended on 24 March 2019. All information submitted within this reporting period has been considered in the GYEITI report. It is noted that seventeen (17) extractive entities did not submit their reporting templates within this period as detailed in Section 5.3.a of this report.

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Given the lack of reporting templates from both government and extractive entities as detailed in Section 7.14 of this report, it was not possible to ensure comprehensiveness of the revenues collected by GRA from the extractive entities retained in the reconciliation scope. As a result, it was not possible to ensure the comprehensiveness of the total revenues of the extractive sector.

We recommend that GYEITI works to raise awareness of the importance of participation amongst reporting entities, and ensure an adequate timeline for submitting reporting templates within the set deadlines. Notwithstanding, the significant efforts already made in this respect, GYEITI may focus on enhancing the communication lines of the EITI Process in Guyana by introducing the EITI process to extractive entities and Government Agencies through a strong awareness campaign such as conferences and meetings.

GYEITI must also set out an adequate time frame for the reporting process including selection of reporting entities, updating and submitting the reporting templates and instructions for completion and completion of all reconciliation work..

In the longer term, we recommend for the future that a review of the mining regulations is introduced with regards to EITI reporting such as:

- *reporting' obligations for extractive entities while specifying the level of disaggregation of the data to be submitted; and*
- *sanctions which could be imposed against extractive entities in the event of non-compliance or false declarations.*

We recommend that, in the short term, application and renewal forms for mining licenses and permits explicitly include a declaration of consent to disclosure of information required for compliance with EITI reporting and that such information be made available in a disaggregated, project by project, format..

12. ACCURACY AND COMPREHENSIVENESS OF DATA INCLUDED IN THE REPORTING TEMPLATES

Reporting templates from extractive entities and Government Agencies were not adequately prepared. We set out below several weaknesses noted during the EITI reconciliation process:

- companies and Government Agencies must report detailed payment flows by receipt number, as this information is vital for reconciliation work. However, in several cases:
 - ✓ extractive entities reported aggregated figures without providing the required level of breakdown by receipt number and by payment stream;
 - ✓ details of payment flows reported by GGB did not include the relevant receipt numbers for significant revenues associated with each of the payments as detailed in the instructions for completing the reporting templates; and
 - ✓ several extractive entities did not report receipt numbers as requested in the instructions, but referred to internal payment references instead;
- several reporting templates submitted by extractive entities did not include information on:
 - ✓ comprehensive details on their beneficial ownership as set out in **Annex 2** of this report;
 - ✓ export details such as mentioned in **Annex 7** of this report; and
 - ✓ production details such as shown in **Annex 8**.

These shortcomings led to material unreconciled differences in the report.

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We recommend for future reconciliation exercises that extractive entities and Government Agencies devote ample time towards the preparation of their respective reporting templates in accordance with the instructions set out by the Independent Administrator and following the supporting schedules.

We also recommend that all reporting entities being made aware of the importance of the EITI data they are providing, and that due care and attention is paid during the preparation of these reporting templates.

13. USE OF UNIQUE IDENTIFICATION NUMBER FOR ALL GOVERNMENT AGENCIES

During the reconciliation process, we noted that the statements of receipts collected by GGMC and GGB do not include the Taxpayer Identification Number (TIN) nor any other internal reference numbers to identify all the payments of the same taxpayer. In addition, the names of some taxpayers are spelt differently from one payment record to another. This can lead to compilation of revenues collected by one Government Agency from one taxpayer to be inaccurate.

Additionally, NIS, which collects revenues not specific to the extractive sector uses an identification number for each payer. So, it has to rely on the names of the extractive entities in order to identify the corresponding revenues that NIS collected from these active licence holders. This can lead to compilation of revenues collected by different Government Agencies from one payer to be inaccurate.

As a result of such weaknesses, the materiality analysis would be biased and it does not allow to accurately identify the extractive entities making significant contributions to the Government revenues and to select the major one in the reconciliation scope.

The Statements of revenues of Government Agencies should include a unique identification number such as TIN rather than using names or different reference numbers for identifying payers. This would lead to an efficient tracking of receipts and ensure harmonization of databases of different tax authorities.

We recommend that Government Agencies collecting revenues from the extractive industries, in particular GGMC and GGB should revise their reporting system in order to include TIN when recording receipts.

14. WAIVING LEGAL CONFIDENTIALITY RESTRICTIONS

In accordance with Section 23 (1) of the Revenue Authority Act (1996), Chapter 79:04 and Section 4 of the Income Tax Act (1929), Chapter 81:01, GRA is not allowed to disclose information on individual taxpayers.

Given the confidentiality terms mentioned above, GRA confirmed that it received revenues from 545 taxpayers operating in the extractive sector without disclosing their identities. We understand that GRA's recording system is not integrated with that of GGMC. As a result, there is a risk that the statement of GRA's revenues included payments that are not from the extractive sector and which should have been excluded from the scope of the EITI report.

Additionally, given the lack of TIN and the identity of the taxpayers in GRA's statement of revenues, we were unable to match the list of taxpayers with that of licence/permit holders in order to ensure comprehensiveness of the extractive revenues collected by GRA. As a result, the total revenues declared by GRA as being collected from the extractive companies may exclude several taxpayers operating in the extractive sector and which make material payments to the Government.

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In order to overcome the legal confidentiality constraints during the EITI reconciliation, extractive entities were asked to sign waivers to allow GRA to submit reporting templates. GRA was therefore able to submit reporting templates for 6 (six) extractive entities and not for the remaining twenty seven (27) extractive entities retained in the reconciliation scope. The revenues declared by GRA in the 6 (six) reporting templates submitted amount to GYD 2,702,769,995 which represent only 41% of the revenues estimated to be collected by GRA from the extractive sector. The list of the missing reporting templates from GRA is detailed as follows:

1. Innovative Mining;
2. R Mining Inc.;
3. Azeem Baksh;
4. Gold Target Export;
5. Milburn Mahadeo;
6. Grey Wolf Resources;
7. Tesouro Resources;
8. J & D Mining;
9. New East International;
10. Higgins Winslow Theophilus;
11. Wal Jays Mining;
12. Harpy Investment;
13. Guyana Gold Fields (AGM);
14. Bauxite Company of Guyana (Rusal);
15. BOSAI Minerals Group (Guyana) Inc.;
16. Mohamed's Enterprise;
17. El Dorado Trading;
18. SSS Mineral Trading Ent.;
19. Dinar Trading;
20. GBTI Property Holdings Inc.;
21. Adamantium Holdings;
22. Nabi Oil & Gas Inc.;
23. ON Energy Inc.;
24. Tullow Guyana B.V.;
25. Mid-Atlantic Oil & Gas Inc.;
26. Anadarko Guyana Co.; and
27. Ratio Guyana Limited.

We recommend that the Government of Guyana amends Section 23 (1) of the Revenue Authority Act (1996) and Section 4 of the Income Tax Act (1929) to allow the information required for EITI reporting to be disclosed to the Independent Administrator, for the purpose of reporting in the EITI report.

In the shorter term, GYEITI must also set out an adequate time frame for the reporting process including selection of reporting entities and submitting the signed waivers by the extractive entities in order for GRA to have reasonable period of time to consider them.