

GUYANA EXTRACTIVE INDUSTRY TRANSPARENCY INITIATIVE

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INSTITUTIONALIZING TRANSPARENCY, EMBRACING AND PROMOTING A GLOBAL STANDARD FOR THE GOOD GOVERNANCE OF OIL, GAS AND MINERAL RESOURCES IN GUYANA

CURRENT EVENTS

CONTRACT TRANSPARENCY WEEK, 7 - 11 DECEMBER 2020.

EITI organised a Contract Transparency Week from 7 - 11 December 2020. This week served to help countries implement reforms and activities related to contract disclosure ahead of the 1 January 2021 deadline on contract transparency outlined in Requirement 2.4. of the EITI Standard 2019.

As part of the week of activities, EITI hosted a number of public, high-level webinars and roundtables with the aim of highlighting progress in contract transparency, sharing best practices and lessons learned, providing support to countries and strengthening political commitment to contract transparency. Stakeholders in Guyana participated in some of these activities.



NEWSLETTER

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WELCOME TO THE GYEITI NEWSLETTER WHICH IS MEANT TO BE ONE OF OUR PRIMARY MEANS OF SHARING NEWS AND INFORMATION ON EITI ACTIVITIES IN GUYANA AND AROUND OUR REGION. WE WELCOME YOUR FEEDBACK AS WE INVITE YOU TO LEARN ABOUT YOUR COUNTRY'S EXTRACTIVE RESOURCES AND HOW THE EITI CAN HELP TO ENSURE THAT THERE IS GOOD GOVERNANCE, TRANSPARENCY AND ACCOUNTABILITY IN THEIR MANAGEMENT



Caption: Minister of Natural Resources Hon Vickram Bharrat MP (centre) receives a copy of the EITI 2019 Standard from GYEITI National Coordinator Dr Rudy JA doopat (left). At right is Deputy National Coordinator Ms Diane Barker.

WHAT IS EITI?

The EITI is the global standard to promote the open and accountable management of extractive resources.

EITI IN GUYANA: BACKGROUND

The Extractive Industries Transparency Initiative (EITI) was first announced at the World Summit for Sustainable Development in Johannesburg in 2002

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55 Main Street, Georgetown, Guyana T: (592) 231 2504 E: gyeiti@gyeiti.org W: www.gyeiti.org (the 'Earth Summit 2002'), and officially launched in London in 2003. It was founded on the recognition that, while oil, gas and minerals can help to raise living standards across the world, in countries where these resources are not managed appropriately, this may often lead to corruption and conflicts and, for many people, a lower quality of life.

The Extractive Industries Transparency Initiative is a global coalition of government agencies, extractive entities and civil society organisations working together to improve openness and accountable management of revenues from natural resources. EITI therefore promotes better governance in countries rich in oil, gas and mineral resources, and seeks to reduce the risk of diversion or misappropriation of funds generated by the development of a country's extractive industries. A new EITI Standard was published on 23 February 2016 (the "EITI Standard") as detailed in the following link: <https://eiti.org/document/eiti-standard-requirements-2016>. Its principles are based on the affirmation that public understanding of government revenues and expenditure over time, could help public debate and inform choice of appropriate and realistic option for sustainable economic growth and reduction of poverty in resource-rich countries.

The EITI Standard sets out the requirements which countries need to meet in order to be recognised, first as an EITI Candidate and ultimately as an EITI Compliant country. There are currently 51 implementing countries of which 26 countries which made meaningful to satisfactory progress. 25 countries are yet to be assessed against the 2016 standard.

EITI IN GUYANA-TIMELINE

On May 4, 2010 Honourable Samuel Hinds, the Prime Minister of Guyana, expressed Guyana's commitment to implement EITI during a meeting with EITI Regional Director Dr. Francisco Paris. On 15 May 2012, the Government of the Cooperative Republic of Guyana signed a Memorandum of Understanding (MOU) with the Extractive Industries Transparency Initiative (EITI).

The newly appointed Minister of Natural Resources, Honourable Raphael Trotman publicly announced on 22 December 2015 the government's intention to continue Guyana's commitment to EITI implementation as he declared the commencement of a process to appoint the members of a Multi Stakeholder Group (MSG).

In February 2017, the GYEITI MSG was officially launched which comprises twelve (12) members with four (4) representatives each from civil society organisations, extractive entities and government agencies. Each MSG member has a designated alternate. The Government of Guyana set up the GYEITI National Secretariat within the Ministry of Natural Resources and appointed a National Coordinator and a Deputy Coordinator. The Secretariat operates under the supervision of the MSG and is tasked with carrying out the day to day administrative and perational functions of GYEITI.

In August 2017 Guyana submitted its application to the EITI International Secretariat and on 25 October 2017, Guyana's EITI was officially accepted as an EITI implementing country.

CONTEXTUAL INFORMATION ON THE EXTRACTIVE INDUSTRIES

The Cooperative Republic of Guyana has a surface⁷ of 214,970 km² with an estimated population of 781,873⁸ in 2015 and projected to be 788,874 in 2020⁹. It is located on the Northern coast of South America and is bordered by the Atlantic Ocean to the north, Brazil on the South and south-west, Suriname to the East, and Venezuela to the West¹⁰. The map of the country is presented in Section 3.2.2 of this report. In the last decade, the economy of Guyana experienced steady growth¹¹, largely due to production and export of natural resources. The MSG agreed that EITI in Guyana should cover the exploitation of renewable and non-renewable natural resources as detailed in the Annual Progress Report of June 2018¹². The sectors covered in this report are therefore: - oil and gas exploration; and - quarrying and mining. This report also includes the contextual information of the following sectors: - forestry; and - fisheries. The contribution of each of these sectors to the economy of Guyana have been detailed in Sections 3.1.16, 3.2.12, 3.3.10 and 3.4.10 of this report.

Disclosure: All information inn this newsletter has been extracted from Guyana's 1st EITI Report which can be downloaded here: <https://gyeiti.org/wp-content/uploads/FinalGYEITIReport-FY2017.pdf>