



On equal terms: Supporting an inclusive extractive sector in the energy transition

POLICY BRIEF

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Why gender matters for the extractive industries

The oil, gas and mining industries are predominantly male-dominated, and structural barriers pose challenges for women and gender-diverse individuals to fully participate and benefit from the sector. Research from the World Economic Forum indicates that achieving gender parity in this field could take 131 years at the current pace.²

While studies have shown that a diversified workforce can bring significant economic benefits, women experience the greatest burden of the negative social, economic and environmental impacts of extractive activities in their communities. For example, women often face discrimination in employment, wage disparities, limited access to capital for women-owned businesses operating in the sector and exclusion from decision-making processes related to benefit sharing and revenue distribution.³

Beyond upholding the principles of equality and equity, promoting gender diversity is vital for sustainable development in the extractive industries. There is evidence that ensuring women's perspectives, experiences and skills at all levels of the industry can significantly improve the sector's performance.⁴ Recruiting and investing in women can bring unique perspectives and approaches to problemsolving that can lead to more innovative, effective and sustainable solutions. A diverse workforce contributes to broader social and economic benefits that support sustainable development efforts.⁵

Moreover, women have an important role to play in fighting corruption and promoting transparency and accountability in the sector. But to fulfil this role, they must be able to participate and have their voices heard in decision-making around extractive projects. By addressing gender-specific considerations – for example by using tools that identify the gendered impacts of corruption in licensing processes⁶ – stakeholders can take concrete steps towards creating a more equitable and inclusive extractive sector.

TERMINOLOGY

Gender

Gender refers to the socially constructed roles, behaviours, expressions and identities of girls, women, boys, men and gender-diverse people. It influences how people perceive themselves and each other, how they act and interact, and the distribution of power and resources in society. Gender identity is not confined to a binary (girl/woman, boy/man) nor is it static; it exists along a continuum and can change over time. There is considerable diversity in how individuals and groups understand, experience and express gender through the roles they take on, the expectations placed on them, relations with others and the complex ways that gender is institutionalised in society.⁷



25% of members of national EITI multi-stakeholder groups are women¹

Recognising and encouraging the active participation of women in the extractive sector is crucial, whether as employees, business owners, community members or decision-makers on resource governance. Governments and companies can ensure that resource rents are managed more equitably, with better overall outcomes, by embracing gender diversity in these roles.

Over the past years, there has been a concerted effort by civil society, government and industry to shift the norm. In 2019, the EITI Standard introduced new provisions for multi-stakeholder groups to consider gender balance in their representation; disclose employment data by company, gender and occupational level; and consider gender needs in the dissemination of information to the public. In addition, the Expectations for EITI supporting companies include commitments for companies to publish a policy on gender diversity and employment data disaggregated by gender.

The 2023 EITI Standard has gone a step further and now includes reporting requirements on company consultations and community consent; disclosure of gender-specific benefits of extractive revenues to communities; more granular gender-disaggregated employment data; and disclosure of environmental, social and gender impact assessments. This policy brief aims to help EITI stakeholders understand how the EITI Standard can support efforts to promote a genderdiverse industry in the context of the energy transition by using data disclosed through the EITI.



CREDIT: OBREMPONG YAW AMPOFO

The importance of an inclusive energy transition

The energy transition will have a transformative impact on the extractive industries and global economy. Decarbonisation, as a complex and multi-dimensional process, presents both risks and opportunities concerning the social, economic and environmental impacts of the extractive sector. Recognising and addressing gender inequalities, potential livelihood losses and barriers for participation in the management of these risks is essential for achieving an inclusive and just energy transition.

With countries facing pressure to meet their emissions targets under the Paris Agreement, many are seeing a surge of investment in gas, which is considered by many to be a "transition fuel" with lower carbon emissions.⁸ As gas projects expand globally, it will be important that producers promote equal opportunities for men and women in employment and economic activities, benefits sharing, community engagement, and health and safety.

The energy transition is also driving demand for minerals needed for renewable energy technologies, such as cobalt, copper, lithium, nickel and rare earths. This surge in mining activity can have significant impacts on communities, particularly women and Indigenous peoples. While mining revenues can improve living standards for affected communities, large-scale operations may displace local communities and negatively impact groups with informal land and resource rights.⁹

Moreover, mining activities can strain scarce water resources, disproportionately affecting women and girls who are often responsible for household water access.¹⁰ Rising commodity prices may also lead to more unregulated or illegal artisanal and small-scale mining,¹¹ exposing women to greater risks of gender-based violence and health hazards in the sector.¹²

Addressing these negative impacts on women and gender-diverse people at the global, national and local levels is crucial for ensuring socially and environmentally responsible oil, gas and mining operations. Government, industry and civil society stakeholders can leverage decarbonisation as an opportunity to promote gender equality and ensure an inclusive transition that leaves no one behind. This can involve measures such as establishing gender-responsive policies and regulations; promoting women's leadership and gender balance in decision-making processes; safeguarding land and resource rights; ensuring social and health services are in place; investing in capacity building programmes; supporting women's access to finance and markets; and addressing gender-based violence and discrimination in the extractive sector.



Decarbonisation presents both risks and opportunities concerning the social, economic and environmental impacts of the extractive sector

Benefits of using data and dialogue for a gender-responsive energy transition



Benefits for governments

Data and multi-stakeholder dialogue can help governments ensure that policies affecting the extractive sector and energy transition serve the interests of all citizens over the longer term, including women and marginalised groups. Governments can:

- **Support sustainable development** by promoting women's employment in the extractive industries.
- Inform more inclusive and effective policies that reflect the needs of all members of society by involving women and marginalised groups in decision-making on the energy transition and using gender-disaggregated data.
- Support climate change mitigation and adaptation strategies by implementing gender-responsive energy transition policies that help women and marginalised groups cope with climaterelated risks.



Benefits for citizens

Data and multi-stakeholder dialogue can inform policies that are more sustainable and beneficial for citizens and can empower women to meaningfully participate in decisions that impact their lives. Citizens can:

- Use data and dialogue to understand the energy transition's impacts on women and marginalised groups and ensure their priorities and needs are considered in decision-making.
- **Demand gender-responsive policies** that protect traditional livelihoods, customs and food security of marginalised and vulnerable groups, such as women in rural areas, Indigenous peoples and gender-diverse individuals.
- **Promote women's entrepreneurship** by demanding equal opportunities in energy and extractive projects and access to modern energy services for income-generating activities.

POLICY BRIEF

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Benefits for companies

Data and multi-stakeholder dialogue can support companies' policies on diversity, equity, inclusion and belonging (DEIB), thereby building trust with communities and investors. Companies can:

- Gain diverse ideas, insights and expertise by adopting genderresponsive approaches in their energy transition strategies, which can help to achieve better and more sustainable decisions and outcomes.
- Attract investment and strengthen social license to operate by implementing gender-responsive strategies that comply with environmental, social and governance (ESG) standards.
- Capture a greater market share by addressing women's needs and preferences, which can position companies to financially outperform their peers in the same industry.



A woman stands in front of her house in Cesar, Colombia. The house has cracked due to the blast wave produced by detonations at a nearby mine, which has since closed its operations. CREDIT: CORPORACIÓN LA ROTATIVA

Supporting gender inclusion through EITI implementation

The EITI Standard includes provisions on promoting women's leadership and participation in extractives governance and EITI processes, as well reporting on the gender distribution of employment in the sector. At the global level, the EITI routinely tracks gender reporting and representation on multi-stakeholder groups to monitor countries' progress in this area. Gender reporting is also included as part of the Expectations for EITI supporting companies.¹³

Furthermore, the EITI Standard places emphasis on the important role that national multi-stakeholder groups can play in addressing governance issues that relate to national priorities, including gender and energy transition. Recognising the interrelatedness of these issues can help to understand the risks and opportunities associated with the energy transition and its impact on sustainable development. EITI multi-stakeholder groups serve as crucial decision-making spaces where stakeholders can influence and shape decisions on natural resource governance in their country, fostering participation from a wide range of actors.



1. Strengthening employment and economic opportunities

Women's leadership and participation in the energy sector, including as entrepreneurs, innovators, policymakers and advocates, bring diverse perspectives and solutions to address the energy transition. Promoting gender equality can help women fulfil their potential as change agents, fostering more sustainable and resilient energy systems.¹⁴

The transition to renewable energy creates new employment opportunities for women and gender-diverse people. For example, in Argentina, women's participation in lithium exploration and funding (25%) as well as mining (18%) is higher compared to other minerals.¹⁵ Nonetheless, gender disparities persist across the mining sector.

Women are also generally underrepresented in the renewable energy industries, particularly in technical and leadership roles, due to various barriers such as gender stereotypes, occupational segregation, and limited access to training and education.¹⁶ Efforts to promote gender diversity in mining and renewable energy jobs can help ensure equitable sharing of the energy transition's benefits among people of different genders.

How EITI data can be used

The EITI Standard requires countries to disclose employment figures disaggregated by company, project, gender and occupational level. Companies are also encouraged to disclose information about their gender pay gap.

This employment data can be used to develop policies on increasing the participation of women and marginalised groups in the sector. It can also support public policies on training, health, safety and security of women and marginalised groups, and encourage extractive companies to adopt gender policies to make jobs more attractive. Furthermore, disclosing wage information aids in efforts to address the gender pay gap.

CASE STUDIES

Colombia

In its annual sustainability report, Colombia's national oil company, EcoPetrol, provides employment data by gender. According to the report from 2022, 27% of the company's 4,713 workers were women. The company has also implemented an employment strategy that aims to help women, local communities and disadvantaged groups access employment opportunities. EcoPetrol's 2022 report includes disaggregated data on workers hired by contractors, including women, people with disabilities, those starting their first job, people from ethnic minority groups, and victims of armed conflict.

Senegal

EITI reporting in Senegal revealed that women make up less than 10% of the country's extractives workforce, which has fed into public debate on diversity in the sector.¹⁷ Civil society groups such as Women in Mining (WiM) Senegal have used this information to advocate for reforms, such as the inclusion of women in the supply chain and in local extractives sector policies and projects.

EITI Requirements

6.3 Contribution of the extractive sector to the economy



2. Understanding the environmental and social impacts of extractive activities

The extractive industries can have significant environmental impacts such as pollution and disruption of ecosystems, which can adversely impact the livelihoods of local communities, especially those dependent on farming or fishing. These environmental impacts can affect women, men, girls, boys and gender-diverse people differently. Additionally, social impacts such as displacement and gender-based violence can strain the relationship between communities, companies and governments, leading to a weakened social license to operate.

Addressing these potential environmental and social impacts is crucial for improving stakeholder relationships and mitigating harmful effects.

How EITI data can be used

The EITI Standard requires implementing countries and companies operating in them to disclose information on the environmental and social impacts of the extractive industries. It includes a requirement to disclose environmental, social and gender impact assessments, as well as an encouragement to disclose environmental and social monitoring data.

The EITI Standard also encourages companies to disclose information on social expenditures earmarked for programmes and services that specifically support women's rights and gender equality. Such disclosures shed light on the sector's impacts and can support measures to ensure women are protected from negative impacts and are able to equally enjoy the potential opportunities and benefits. Furthermore, these disclosures help monitor appropriate spending of funds and allow for community oversight and accountability in this area.

EITI Requirements

5.2 Subnational transfers

6.1 Social expenditures and environmental payments

6.4 Environmental and social impact of extractive activities

CASE STUDY

Philippines

EITI disclosures in the Philippines have shown that only 12% of the mining workforce in the Philippines is female, and few women occupy leadership positions.¹⁸ Previous research which tracked education of women for technical work in large-scale mining in the Philippines from 1927 until 2003 found that careers in mining engineering have been pursued almost exclusively by men. Recognising the prevalence of structural gender inequality in the extractive sector, Philippines EITI conducted a study on the social, economic and environmental impacts of large-scale mining on women, as well as barriers they face to participate in the sector. The study presented several recommendations for addressing key issues and policy gaps, including amendments to the Philippine Mining Act of 1995 to incorporate gendersensitive provisions. A gender technical working group has been established to help Philippines EITI implement some of the report's recommendations.





3. Supporting inclusive decision-making, policies and programmes

Gender-responsive policies and programmes recognise and address the genderspecific impacts of the energy transition, aiming to promote gender equality, women's empowerment and leadership.

When gender disparities exist in decision-making processes related to the energy transition, they can negatively impact the design, implementation and outcomes of energy policies and programmes. Conversely, involving women and gender-diverse individuals in decision-making can bring alternative perspectives, priorities and knowledge to the table, contributing to a more inclusive and sustainable energy transition.

How the EITI platform can be used

The EITI can serve as a platform for promoting women's leadership in natural resource governance and amplifying the interests of women and marginalised groups. To this end, the EITI Standard requires multi-stakeholder groups to consider gender balance in their membership with a view to strengthen women's voice and agency. Increasing women's participation in these groups broadens perspectives, oversight and innovation in natural resource management.

Furthermore, implementing countries are expected to disclose information on their consultation processes in the award and transfer of licenses. This information sheds light on whether women's perspectives are taken into account when approving new oil, gas and mining projects. For example, the Open Government Partnership has collaborated with national secretariats in Colombia, Nigeria and the Philippines to ensure gender-responsive design and citizen consultation in extractive industry projects.

EITI Requirements

1.4 Multistakeholder group

2.2 Contract and license allocations

7.1 Public debate

Expectations for EITI supporting companies

CASE STUDY

Engaging communities in the energy transition

The EITI's "Engaging communities in a just transition" project explored how the energy transition affects community livelihoods and promotes community participation in decision-making. Implemented in Colombia, Ghana and Indonesia with support from the Ford Foundation, the project has sought to empower women through research, capacity development and community engagement activities to ensure their interests are considered.¹⁹

In Colombia's La Guajira region, the energy transition affects women and men differently, especially with the boom in renewable energy investments alongside coal mining. Overlooking the role of women in the Wayúu indigenous community's customary land tenure system may worsen gender inequality and create conflicts. In the department of Cesar, women face barriers to information and decision-making as men dominate community organisations. The project has aimed to engage youth and women to promote new forms of leadership, organisational structures and communication channels.

In Indonesia's North Morowali Regency, an important area for nickel production, gender considerations were are core theme during a community workshop conducted under the project, which addressed the energy transition's impacts on women and the involvement of women's groups and the government's Department of Women's Empowerment.

CASE STUDY

Gender participation in Cameroon

To increase women's participation in the governance of Cameroon's extractive industries, stakeholders formed a working group with a view to engaging women in the sector. The working group, consisting of members from various associations and civil society organisations, aims to build women's technical capacity in the extractive sector; ensure gender consideration in policies and activities; support women's integration in governance; advocate for women's viewpoints; and enhance their skills. It emerged after a study revealed challenges in women's participation in the sector. The group has since produced a report on women's integration in civil society organisations and established a communication platform for interested individuals.



4. Promoting transparent revenue collection and allocation

Revenues from the extractive industries are a significant source of income for many EITI implementing countries. For example, Nigeria's government relied on the oil and gas industry for 51% of its revenues in 2020.²⁰ The demand for transition minerals offers additional revenue opportunities for resource-rich countries in the form of mining royalties, taxes and other revenue streams. When collected efficiently and spent wisely, revenues from transition minerals can contribute to sustainable development.²¹

Moreover, extractive revenues can be used to counter the negative environmental and social impacts of extractives operations and ensure that women and marginalised communities have access to public services such as education, healthcare and social support. In the absence of these services, women are often the ones bearing the cost by undertaking unpaid care work. Funds from the extractive industries are also essential for economic diversification and for preparing affected communities for project closures.

How the EITI platform can be used

EITI disclosures provide clarity on company payments and government revenues at the project level, and provide access to the contracts that stipulate how much should be paid. This information helps local communities better understand the funds they are entitled to receive and supports public debate on how these funds are used.

EITI disclosures include information on revenue management, audit and budget procedures, and revenue forecasts. Stakeholders can use this to ensure proper revenue collection and usage. Revenue transparency can encourage gender-responsive budgeting, which tracks spending contributions to women's programmes and gender equity.



EITI Requirements

4.6 Subnational payments
5.1 Distribution of revenues
5.2 Subnational transfers
5.3 Revenue

management and expenditures

CASE STUDY

Allocation of oil revenues in Iraq

Iraq, the largest producer of crude oil in the Organization of the Petroleum Exporting Countries (OPEC), joined the EITI in February 2010. Since then, it has been disclosing detailed information about its oil sector, including production volumes, export values and government revenues.

According to Iraqi law, all proceeds from the sale or extraction of petroleum, including government production shares and royalties, are to be allocated to the national budget. As a result, 95% of the revenues from oil and gas sales is deposited to the federal government, while the remaining 5% (or any other percent determined by the UN Security Council) is transferred to a Compensation Fund for the Kuwait war.

Iraq's 2019/2020 EITI Report provides a breakdown of petrodollar allocations by region. The data is further disaggregated to show the expected versus actual transfers. This information is useful for local communities to understand the revenues their subnational governments receive and how much is available for services, which women may benefit from.

Endnotes

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