

EITI STANDARD 2023

Part 3: EITI governance and management

2023 EITI Standard (Part 3)

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EITI **STANDARD** 2023

The global standard for the
good governance of oil, gas
and mineral resources

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Introduction

This document covers **Part 3** of the EITI Standard (“EITI governance and management”) and comprises the EITI Articles of Association and EITI Constituency guidelines.

The EITI is a multi-stakeholder organisation comprised of governments of implementing and supporting countries, companies and civil society organisations. The EITI Association consists of three institutional bodies: the Members’ Meeting, the EITI Board and the EITI International Secretariat. It is registered as a non-profit association under Norwegian law, and is governed by the EITI Articles of Association, which is included as part of the EITI Standard.

The Members’ Meeting is the highest governing body of the EITI and elects the EITI Board every three years alongside the EITI Global Conference. It comprises representatives from three constituency groups: countries (implementing and supporting), supporting companies and civil society organisations. Constituencies are self-governing entities that appoint representatives to the Members’ Meeting and nominate members to the EITI Board. Constituencies and sub-constituencies agree guidelines to steer their nomination processes and improve accountability and information-sharing within their group.

The international EITI Board serves as the EITI’s main decision-making body and oversees the activities of the EITI through regular Board meetings, committee meetings and Board circulars. The EITI Board consists of 20 members in addition to their alternates and a chairperson, with representation from countries (implementing and supporting), supporting companies and civil society organisations.

It is supported by the EITI International Secretariat, which is responsible for the day-to-day running of the EITI Association. The International Secretariat also provides advice and technical assistance to implementing countries, with support from multilateral, bilateral and non-governmental organisations.

Part 1 of the EITI Standard (“Principles and requirements”) outlines the underlying principles of the EITI, as well as the requirements and expectations for EITI stakeholders. **Part 2** (“EITI Board oversight and Validation”) outlines the procedures and criteria that determine how the international EITI Board oversees and assesses implementation of the EITI Standard.

The EITI website (www.eiti.org) can be used to access the EITI Standard in full, along with guidance on implementation of various aspects of the EITI.

SECTION 1

EITI Articles of Association

The EITI Articles of Association govern the EITI Association. They were updated at the EITI Members' Meeting on 12-13 June 2023.

Article 1: Name

1. The name of the association shall be “The Association for the Extractive Industries Transparency Initiative (EITI)” (hereinafter referred to as “the EITI Association”).

Article 2: Background and objective

1. The EITI Association is an international multi-stakeholder initiative with participation of representatives from governments and their agencies; companies and financial institutions engaged in the energy and extractives sectors; and local civil society groups, international non-governmental organisations, global action networks and coalitions.
2. The objective of the EITI Association is to uphold the EITI Principles and the EITI Requirements as the internationally accepted standard for transparency in the oil, gas and mining sectors. This objective is pursued recognising that strengthened transparency along the extractive industry value chain can reduce corruption; improve natural resource management; contribute to responsible energy transition; and enable the revenue from extractive industries to transform economies, reduce poverty and raise the living standards of citizens in resource-rich countries.

Article 3: Legal person, limited liability

1. The EITI Association is a non-profit association organised under Norwegian law (“forening”).
2. The Members of the EITI Association shall not be responsible, individually or collectively, for any of the EITI Association's debts, liabilities or obligations.

Article 4: Organisation

1. The permanent institutional bodies of the EITI Association are:
 - a) The EITI Members' Meeting, which is held in connection with the EITI Global Conference;
 - b) The EITI Board led by the EITI Chair;
 - c) The EITI International Secretariat led by the Executive Director;
2. The EITI Board may establish committees in accordance with Article 13;
3. The EITI Association's organisation operates transparently and encourages diversity in terms of gender, nationalities and culture.

Article 5: Membership and constituencies

1. A Member of the EITI Association is a personal representative of a country (meaning state), company, organisation or legal entity that is appointed by a Constituency as set out in Articles 5(2) and 5(3).
2. The Members are organised in three Constituencies which are:
 - a) The Constituency of Countries, which comprise:
 - i. Implementing countries, meaning states, that have been classified by the EITI Board as such; and
 - ii. Supporting countries, meaning states or union of states, that support the objective of the EITI Association as defined by the EITI Board.
 - b) The Constituency of Companies, which comprise companies, financial institutions, foundations and associations engaged in the energy and extractive sectors that have committed to support the objective of the EITI Association as defined by the EITI Board.
 - c) The Constituency of Civil Society Organisations, which comprise local civil society groups, non-governmental organisations, global action networks and coalitions that support the objective of the EITI Association as defined by the EITI Board.
3. Each Constituency decides on its rules governing appointments of Members of the EITI Association. The Membership shall be limited to the following:
 - a) From the Constituency of Countries, up to one representative from each implementing country and each supporting country (or their unions);
 - b) From the Constituency of Companies, up to one representative from each company, financial institution, foundation and association;
 - c) From the Constituency of Civil Society Organisations, up to one representative from each civil society organisation.
4. A Constituency may replace any of its own appointed Members at any time. The Constituency shall inform the EITI International Secretariat of any changes to appointed Members so the International Secretariat can keep an updated Members' Registry.
5. A Member's membership of the EITI Association shall be terminated upon death; dissolution of the entity the Member represents; delisting of the implementing country the Member represents; failure to pay membership fees where required by a Constituency; and failure to register as a Member where required by a Constituency.
6. The EITI Board may terminate any Member's membership of the EITI Association, remove any EITI Office Holder, or adopt a resolution condemning the conduct of a Member or EITI Office Holder, or the country or other entity the Member or EITI Office Holder represents, if:
 - a) The Member, or the country or other entity the Member represents, commits a serious breach of these Articles of Association; or

- b) The Member, or the country or other entity the Member represents, has conducted his/her/its affairs in a way considered seriously prejudicial or contrary to the EITI Principles; or
 - c) The EITI Office Holder commits a serious breach of the EITI Association Code of Conduct.
7. A resolution by the EITI Board in accordance with Article 5(5) may be appealed by any Member to the Members' Meeting for final decision through written notice to the EITI Chair within four weeks of the resolution.

Article 6: EITI Global Conference

1. An EITI Global Conference shall be held at least every three years in order to provide a forum for EITI stakeholders, being all with an interest in the EITI Association, to further the objective of the EITI Association and to express their views on the policies and strategies of the EITI Association. The EITI Chair shall act as chairperson for the conference. The EITI Global Conference is a non-governing body of the EITI Association.
2. The EITI Members, the EITI Board and the EITI International Secretariat have the right to attend or be represented at the EITI Global Conference. Other EITI stakeholders should also be invited, in each case, to the extent that it is reasonably practical to make arrangements in order to do so as decided by the EITI Board.
3. The EITI Global Conference shall be summoned by the EITI Board on the EITI website and by written notice to the Members and Constituencies with at least four weeks' notice. The written notice shall include the programme of the EITI Global Conference.
4. The EITI Global Conference shall:
 - a) Provide an important and visible platform for debate, advocacy, continued fundraising and inclusion of new EITI stakeholders;
 - b) Review progress based on the activity report for the period since the preceding ordinary Members' Meeting;
 - c) Provide suggestions to the EITI Board as to the activities of the EITI Association until the next ordinary Members' Meeting;
 - d) Mobilise and sustain high level coordination, political commitment and momentum to achieve the objective of the EITI Association; and
 - e) Provide an informal communication channel for those EITI stakeholders who are not formally represented elsewhere in the governance structure of the EITI Association.

Article 7: EITI Members' Meeting

1. The governing body of the EITI Association is the EITI Members' Meeting.
2. The EITI Members' Meeting is comprised of the Members of the EITI Association.
3. The ordinary EITI Members' Meeting shall be held at least every three years in connection with the EITI Global Conference. The ordinary EITI Members' Meeting

shall be summoned by the EITI Board to the Members with at least four weeks written notice.

4. An Extraordinary Members' Meeting may be summoned by the EITI Board to the Members with at least three weeks written notice. The EITI Board shall ensure that an Extraordinary Members' Meeting shall be held within eight weeks of the receipt by the EITI Chair of a request to hold an Extraordinary Members' Meeting.
5. Members who wish to take part in an EITI Members' Meeting, must give notice to the EITI International Secretariat by the date stated in the summons. A Member may be represented in the EITI Members' Meeting by written proxy. The proxy may also include specific voting instructions.

A duly signed proxy must be received by the EITI International Secretariat by the date stated in the summons.

6. The EITI Chair shall act as chairperson for the EITI Members' Meeting.
7. The quorum of a Members' Meeting shall be a minimum of one third of the Members, and must include at least one third of the Members from each Constituency.
8. The Members' Meeting shall make every effort to adopt resolutions by consensus. If a vote is required, resolutions are adopted by qualified majority requiring the support of at least two thirds of the total votes cast and must include the support of at least one third of the votes cast by the Members representing each Constituency. The total number of votes for the Members of each Constituency shall be equal and be determined as follows:
 - a) Members from the Constituency of Countries shall have one vote each; and
 - b) The votes for Members from the Constituency of Companies and the Constituency of Civil Society Organisations shall be proportional to the votes from Members of the Constituency of Countries, so that each constituency has equal representation at the Members' Meeting.
 - c) The EITI Chair shall announce the number of votes for each Member from the different Constituencies prior to voting.

Article 8: Functions of the EITI Members' Meeting

1. The EITI Members' Meeting shall:
 - a) Approve the activity report and the work plan of the EITI Board, and the annual accounts and audit reports since the last ordinary EITI Members' Meeting;
 - b) Elect the members, and alternates for each member, of the EITI Board, on nomination from the Constituencies;
 - c) Elect the EITI Chair, on proposal of the EITI Board and;
 - d) Consider any other matters pursuant to requests from a Member. Such requests shall be submitted in writing to the EITI Chair in time for any such matters to be included in the agenda for the EITI Members' Meeting stated in the summons.

Article 9: EITI Board

1. The executive body of the EITI Association is the EITI Board, elected by the EITI Members' Meeting and operating under the guidance from the EITI Members' Meeting.
2. In order to reflect the multi-stakeholder nature of the EITI Association, the EITI Board shall consist of 21 EITI Board members ("Board members") and shall be made up as follows:
 - a) A Chair;
 - b) Nine Board members being Members of the EITI Association from the Constituency of Countries, of which a maximum of three Board members should represent supporting countries and the remainder should represent implementing countries.
 - c) Six Board members being Members of the EITI Association from the Constituency of Companies, of which a maximum of one should represent financial institutions.
 - d) Five Board members being Members of the EITI Association from the Constituency of Civil Society Organisations.
3. All Board members retire with effect from the conclusion of the ordinary EITI Members' Meeting held subsequent to their nomination, but shall be eligible for re-nomination at that EITI Members' Meeting.
4. The Constituencies may nominate, and the EITI Members' Meeting may elect, one alternate Board member (an "Alternate") for each Board member that the Constituency has nominated. An Alternate may deputise for the Board member. If there is no Alternate, the relevant Constituency shall nominate a new Alternate.
5. If a Board member is absent from a Board meeting, that Board member's Alternate may attend, participate in discussions, vote and generally perform all the functions of that Board member in the Board meeting.

Should a Board member or Alternate fail to attend two consecutive Board meetings or half of the relevant committee meetings in a year, the EITI Board may, after consultation with the Chair and his or her Constituency, require the Constituency to replace the Board member or Alternate.
6. In the case of a vacancy on the EITI Board between two EITI Members' Meetings, this vacancy shall be filled by the resigning Board member's Alternate, with the concerned Constituency nominating a new Alternate to be elected by the EITI Board. Alternatively, the concerned Constituency may nominate a new Board member to be elected by the EITI Board.
7. The EITI Association shall obtain liability insurance for Board members. The terms and conditions should be approved by the EITI Board and communicated to Members of the EITI Association.
8. The EITI Board shall require the Constituency of Countries to replace a Board member or Alternate representing an implementing country that withdraws or is delisted from the EITI. A Board member or Alternate representing an implementing country that is suspended during his or her tenure shall be suspended during the

country's period of suspension. A Board member shall be replaced by the Alternate or a new Board member nominated by the Constituency of Countries. An Alternate may be replaced by a new Alternate nominated by the Constituency of Countries. Should the suspension be in force for more than a year, the EITI Board may decide that the Board membership of the suspended Board member or Alternate should be terminated.

Article 10: Observers

1. Representatives from relevant international organisations and other stakeholders, such as the World Bank and the International Monetary Fund, may be invited by the EITI Board or may request to attend EITI Board meetings and Members' Meetings as observers, when this can be practically accommodated. They have no voting rights, but may be invited to express their views on specific matters. The EITI Board may decide that certain items should be discussed without observers present.

Article 11: EITI Chair

1. The EITI Chair shall be elected at the ordinary EITI Members' Meeting. The EITI Board shall, prior to each ordinary EITI Members' Meeting, recommend a candidate for the EITI Chair for the period following that EITI Members' Meeting. The term of an EITI Chair may be renewed once.
2. The EITI Chair shall:
 - a) Act as chairperson of the EITI Members' Meeting;
 - b) Act as chairperson of the EITI Board meeting;
 - c) Present the EITI Board report to the EITI Global Conference and the EITI Members' Meeting;
 - d) Represent the EITI Board in external matters;
 - e) Follow up with the EITI International Secretariat regarding the implementation of the resolutions of the EITI Board; and
 - f) Seek to foster collaborative relationships between EITI stakeholders.
3. If the EITI Chair is unable to preside over a Board meeting, the Board members present may appoint another Board member to chair that meeting.

Article 12: Functions of the EITI Board

1. The EITI Board shall act in the best interests of the EITI Association at all times. The EITI Board shall exercise the executive powers of the EITI Association subject to the resolutions of the EITI Members' Meeting, including the following key functions:
 - a) Consider general and specific policy issues affecting the EITI Association;
 - b) Agree on the work plans and budget of the EITI Association;
 - c) Agree on the arrangements for the EITI Global Conferences and the EITI Members' Meetings;

- d) Present (through the EITI Chair) the activity report and the work plan to the EITI Global Conference and obtain approval of the same from the EITI Members' Meeting;
- e) Present (through the EITI Chair) the annual accounts and the audit reports for the accounting periods since the last ordinary EITI Members' Meeting;
- f) Engage the EITI Executive Director;
- g) Oversee and direct (through the EITI Chair) the work of the EITI International Secretariat;
- h) Ensure that the multi-stakeholder nature of the EITI Association is maintained and fully reflected in the EITI Association at all levels, including in its Committees;
- i) Adopt and enforce the EITI Standard, including monitoring and supporting implementation of the EITI Standard in implementing countries and establishing procedures regarding the Validation process, including complaints, resolving disagreements, the question of delisting a country and appeal procedures;
- j) Adopt more detailed procedures and rules for the management and operation of the EITI Association including the contents of country work plans and company expectations, the Validation process, the management of funds, payments for projects, goods and services, auditing and reporting and the approval of projects;
- k) Recommend a candidate for the EITI Chair prior to each ordinary EITI Members' Meeting; and
- l) Adopt a code of conduct.

Article 13: Committees of the EITI Board

1. The EITI Board may create committees to further specific issues. Any such committee should include two or more Board members or their Alternates, and its composition should, as far as is reasonable, reflect the multi-stakeholder nature of the EITI Association. The terms on which any such committee shall operate should be recorded in the Minute Book.

Article 14: EITI Board operations and proceedings

1. The EITI Board should meet at least twice a year. At least one EITI Board meeting per year shall be in person. If the circumstances so necessitate, EITI Board meetings can be held virtually.
2. A Board meeting shall be convened by written notification from the EITI Chair with at least two weeks' notice. Any shorter period of notice requires the written consent of all Board members.
3. Board members shall make every effort to adopt resolutions by consensus. Taking account of the view of the Board members, the EITI Chair may decide that a vote is required. Every member of the EITI Board has one vote. Voting can be done by written proxy.

4. No resolution may be made by a Board meeting unless a quorum is present at the time of passing the resolution. At least two thirds of the Board members, with at least two Board members from the Constituency of Countries (one implementing country and one supporting country), one Board member from the Constituency of Civil Society Organisations and one Board member from the Constituency of Companies, establish a quorum.
5. If a vote is required, resolutions are adopted by a qualified majority requiring 13 votes to be cast in favour of the resolution, and must include the support of at least one third of the votes of the Board members from each Constituency including one third from the sub-constituency of implementing countries.
6. A Board member shall not vote in respect of any matter or arrangement in which he or she is directly and personally interested, or if there are any other special circumstances which could impair confidence in his or her impartiality. A Board member shall declare such interests to the EITI Board as soon as possible after he or she becomes aware of the same and this will be recorded in the Board minutes. A Board member shall not be counted in the quorum present when any resolution is made about a matter which that Board member is not entitled to vote upon. This shall not prevent a Board member's Alternate from voting on the matter.
7. The EITI Board may establish procedures regarding decision-making processes outside Board meetings. Any decisions taken outside Board meetings in accordance with such procedures should be recorded in the Minutes of the Board meeting following when the decision was taken.
8. The EITI Association can be committed externally by the joint signature of all Board members. The EITI Board may elect the EITI Chair or the EITI Executive Director alone, or two or several Board members to carry the right of signature, of which any two can sign jointly.

Article 15: EITI International Secretariat

1. The EITI International Secretariat ("the Secretariat") shall consist of the Executive Director and other necessary staff, which are contracted directly, interns or consultants or other contractors hired in consultation with the EITI Board.
2. The Secretariat shall be responsible for the day-to-day running of the EITI Association under the direction of the EITI Board through its Chair, including support to implementing countries, support to the EITI Board, and monitoring and enforcement of the EITI Standard.
3. The Secretariat shall keep an updated Members' Registry at all times.
4. The Secretariat shall keep a record of these Articles of Association and any amendments thereto.
5. The Secretariat shall keep Minutes of all EITI Board meetings, Members' Meetings and meetings of the EITI Global Conference in a Minute Book. All such Minutes shall be published on the EITI website. Such Minutes shall record the names of those present, the resolutions made at the meetings and, where appropriate, the reasons for the resolutions.

Article 16: EITI Executive Director

1. The Secretariat shall be led by a full-time Executive Director who will manage the day-to-day running of the EITI Association, including the selection of necessary staff, oversee development of the EITI Association and provide support to the EITI Board. The Executive Director shall report to the EITI Board through the Chair and be responsible for the activities of the Secretariat.
2. The Executive Director, or his or her appointee from the Secretariat, shall serve as Secretary to all EITI Board meetings, EITI Members' Meetings and EITI Global Conferences.
3. The Executive Director shall appoint a Deputy Executive Director to support in managing the day-to-day running of the EITI Association and who shall deputise in the absence of the Executive Director.

Article 17: Funding

1. The EITI Association is a non-profit association. Its funds consist of contributions from supporting countries, implementing countries, companies, financial institutions and foundations; grants from bilateral and multilateral donors; and contributions from other agencies, organisations and entities as determined by the EITI Board. Funding may be core or project specific.
2. The EITI Association may also operate through voluntary contributions in kind.

Article 18: EITI accounts, fund management and payments

1. The EITI Association through the Secretariat holds multiple bank accounts in the name of the EITI. These accounts can be used for any activity falling within the objectives of the EITI Association and the work plans approved by the EITI Board. The funds may be applied to administration and governance costs, country-specific activities and multi-country activities.
2. The EITI Board shall appoint an external, independent auditor to annually audit the EITI accounts, and to present a written audit report to the EITI Board.
3. The EITI Board shall develop reporting and auditing arrangements with respect to the EITI accounts which shall be set forth in the supplementary operating rules and procedures of the EITI Association.

Article 19: Amendments

1. These Articles of Association may be amended by the EITI Members' Meeting convened and held, pursuant to Article 8 by approval of at least two thirds of the Members present.

A proposal for an amendment shall be communicated in writing to all EITI Members four weeks in advance of the relevant resolution.

Article 20: Withdrawal and dissolution

1. Any Member may withdraw from the EITI Association at any time. Such withdrawal shall become effective upon receipt of a written notification of withdrawal by the Executive Director.
2. The EITI Association may be dissolved by the Members' Meeting in accordance with the provisions of Article 8. A proposal for dissolution shall be communicated in writing to all EITI Members four weeks in advance of the relevant resolution.
3. In the event of a dissolution, the assets of the EITI Association shall be applied to similar objectives to those of the EITI Association and as determined by the EITI Board subject to the approval of the EITI Members' Meeting.

Article 21: Entry into force

1. These Articles of Association shall enter into force upon the constitution of the EITI Association and remain in force until dissolution of the EITI Association.

SECTION 2

EITI Constituency guidelines

This section describes the EITI Constituency guidelines, which outlines the processes for constituency nomination, membership and management.

The report of the International Advisory Group, as adopted by the Oslo Conference in October 2006, recommended that “each of the constituencies should agree how they wish to be represented on the proposed Board. This requires prior consideration by each constituency of how they define those eligible (i) to be selected as representatives; and (ii) to be involved in the selection process”.

The constituencies are defined in the EITI Articles of Association, which also determine the size of the constituencies’ membership in the EITI Association and the number of seats on the EITI Board. Some of the EITI constituencies are informally sub-divided.

Current guidelines for constituencies and sub-constituencies are available on the EITI website at eiti.org/constituencies. A full list of EITI Board members and alternates and Board committees is available at eiti.org/eiti-board.



Extractive Industries
Transparency Initiative

We believe that a country's natural resources belong to its citizens.

Our mission is to promote understanding of natural resource management, strengthen public and corporate governance and provide the data to inform greater transparency and accountability in the extractive sector.

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