

Guyana

Extractive Industries

Aide Memoire

July 2017

I. Introduction

1. A World Bank Group (WBG) Extractive Industries mission team¹ visited Georgetown between June 25 and July 1, 2017, following a request by the government of Guyana to support the country's bid to join the Extractive Industries Transparency Initiative (EITI). As stated in the mission announcement letter, the mission's objectives were to engage and share experience and good practices on EITI with the National GYEITI Secretariat, Guyana's EITI Multi-Stakeholder Group (GYEITI MSG) and other relevant stakeholders.
2. The team held discussions with the Minister of Natural Resources and representatives of the National GYEITI Secretariat and of GYEITI MSG. (see Annex 1). The mission team would like to thank the Ministry of Natural Resources for its assistance in organizing the mission, and our interlocutors for taking the time to engage with the team. This Aide Memoire summarizes the key findings of the mission and agreed next steps.

II. Key Findings

A. GYEITI

3. **To assist Guyana in its bid to join the EITI in October 2017, the mission provided technical support on the EITI standard and candidacy process** to GYEITI MSG representatives in particularly with respect to the EITI work plan, materiality/scope and outreach/communications. The mission also provided on-the-job training to the National GYEITI Secretariat with the aim of strengthening its capacity to support the EITI process in Guyana. The mission's technical support contributed to:
 - **Drafting of the general and specific objectives of Guyana's EITI by GYEITI MSG representatives:**
 - General objective: Provide accurate, contextualized and useful information to promote transparency, accountability and dialogue on extractives and inform the governance of natural resources for the benefit of Guyana's sustainable development.
 - Specific objectives: 1. Compile accurate information that is consistent

¹The World Bank team was comprised of Susana Moreira (Oil and Gas Specialist) and Ana Maria Contreras (Consultant).

with the overall objective of GYEITI; 2. Disseminate widely the information obtained under the EITI standard to promote stakeholder dialogue; and 3. Promote timely reconciliation of the information provided under the EITI standard.

- Drafting and presentation of the “Execution Plan for GYEITI Candidacy Application” by the National GYEITI Secretariat (see Annex 2).
- Drafting and discussion of the GYEITI Work Plan (working draft).
- Discussion and agreement of new rules of engagement between GYEITI MSG and National EITI Secretariat.
- Discussion on planned June/July EITI outreach activities focusing on strategy and messages.
- Set-up of Google Docs platform by the National GYEITI Secretariat to share key documentation between the GYEITI MSG and the National EITI Secretariat and facilitate/speed up revision process.
- Selection of GYEITI logo by the GYEITI MSG.

4. **The mission scheduled meetings with representatives of all three constituencies of the GYEITI MSG** to learn more about their understanding of and expectations vis-à-vis the EITI process. **Due to scheduling constraints, the mission was only able to meet with the private sector caucus of the GYEITI MSG.** The meeting confirmed the private sector’s commitment to the success of Guyana’s bid to join EITI but also underscored the need to enhance the private sector’s knowledge of EITI as well as the National EITI Secretariat’s capacity.

5. **The mission met with the Carter Center that has been providing support to Guyana on EITI since June 2016.** The Carter Center’s support has focused primarily in strengthening the GYEITI MSG and is set to end in July 2017. The last planned activity by the Carter Center is a series of EITI outreach activities in July 2017 to be led by the National GYEITI Secretariat and the GYEITI MSG representatives.

6. **While progress was made during the WB mission, several tasks remain to be completed before Guyana can submit its candidacy in August 2017 to the EITI International Board. To ensure that the momentum is not lost and all the tasks are accomplished within the timeframe set, the mission recommends:**

- **Strict Adherence to the Execution Plan for the GYEITI Candidacy Application** (detailed in annex 2). This will require:
 - **Proactive leadership by the National GYEITI Secretariat**, which among others should be responsible for the timely preparation of Guyana’s application form to the EITI; the organization of regular GYEITI MSG meetings on key issues such as materiality and the GYEITI work plan; the mapping of donors that may be able to support the implementation of the GYEITI work plan; the gathering and uploading of all the supporting documentation required by the

EITI Standard for the EITI candidacy.

- **Strong commitment by the GYEITI MSG members, in particular Guyana's EITI Champion.** GYEITI MSG members are expected to timely review the required documentation (draft candidacy form, draft work plan, etc.) as well as attend the scheduled meetings so that quorum is reached and decisions can be made (thus far it has been hard to achieve quorum, which delays decisions and undermines progress).
- **GYEITI needs to establish a website.** Initial discussions have been held with the Ministry of Natural Resources to host GYEITI's webpage, which is consistent with the approach adopted by several EITI countries such as Dominican Republic, Peru and Colombia. It is highly recommended to set up the webpage as soon as possible since it will be key to Guyana's fulfillment of a EITI Standard requirement for the submission of its EITI candidacy, namely the publication of the GYEITI work plan.
- **GYEITI MSG representatives need to keep constituencies informed of on-going progress.** To avoid any potential misunderstandings and associated delays, it is highly recommended that GYEITI MSG representatives keep their respective constituencies informed of the progress being made towards Guyana's EITI candidacy.

B. Oil and Gas Sector

7. **The Minister of Natural Resources indicated that the government plans to send its feedback to the World Bank's preliminary assessment of Guyana's oil and gas sector needs in July 2017.** The assessment was produced following a request by the Ministry of Natural Resources during the World Bank's April 2017 oil and gas sector scoping mission. Its main findings point to the need for an in-depth, systematic, long-term support and/or technical assistance on a variety of issues to lay the appropriate foundations for Guyana to maximize the benefits of its oil and gas resources. The World Bank stands ready to support the Government of Guyana in addressing these critical challenges.
8. **The Minister has suggested the World Bank should exercise a coordination role among donors involved in oil and gas in Guyana.** This coordination is indeed highly needed because several donors have confirmed and/or planned projects related to the sector and it is sometimes challenging to obtain an exact picture of their budget/timing/scope. While the World Bank is happy to contribute to the best dialogue possible between donors and Government, some key conditions for success still need to be emphasized:
 - Coordination of donors should ultimately remain a Government responsibility. The Bank could strive to improve the circulation of

information, but it cannot substitute to the Ministry of Natural Resources, which represents the sector on behalf of Guyana's population.

- In order to assume a leading and credible role in donor coordination, the World Bank would need to have a substantial lending program in Guyana on extractives.

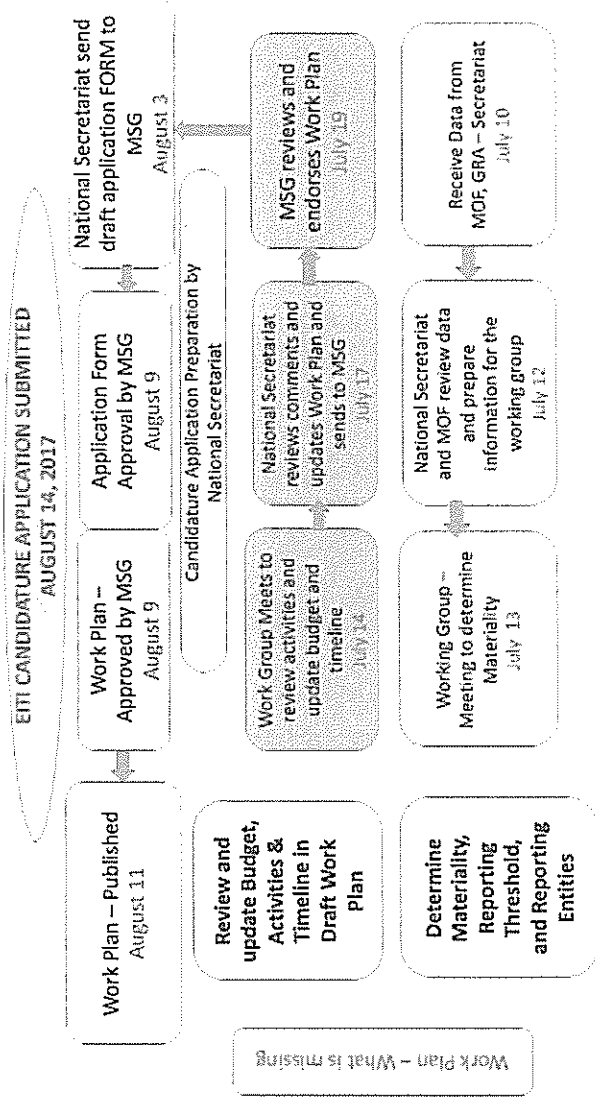
III. Next Steps

Activity	Responsibility	Date
Feedback from Government of Guyana on WB's preliminary assessment of Guyana's oil and gas sector needs	Ministry of Natural Resources	July 2017
Determine Materiality, Reporting Threshold and Reporting Entities	GYEITI National Secretariat and GYEITI MSG	July 10-13, 2017
Review and update activities, update budget and timeline for the GYEITI Work Plan	GYEITI National Secretariat and GYEITI MSG	July 14-19, 2017
Provide online support to the National GYEITI Secretariat to facilitate successful submission of Guyana's EITI candidacy, upon request	World Bank	July-August 2017
Prepare GYEITI Application Form to EITI	GYEITI National Secretariat and GYEITI MSG	August 3-9
Review of inputs for EITI candidacy such as the draft National EITI Work Plan and the draft EITI Application Form, upon request	World Bank	July-August 2017
Approve GYEITI Work Plan and GYEITI Application Form to EITI	GYEITI MSG	August 9, 2017
Publish GYEITI Work Plan	GYEITI National Secretariat	August 11, 2017
Submit GYEITI Application Form to EITI	GYEITI National Secretariat	August 14, 2017
Follow-up WB EITI Support Mission	World Bank	TBD

Annex 1: Agenda World Bank Mission

Monday June 26	Place	Time	Objectives	Participants
Discussion on general status of EITI process	Ministry of Natural Resources	09:30-10:30	Engage National Coordinator and discuss WB support	Susana, Ana Maria, Rudy J., Diane
Review and discussion of candidature package		13:30-16:00	Discuss/Review Guyana EITI candidature package. Finalize list of documents to substantiate activities and actions completed to satisfy EITI requirements	Susana, Ana Maria, Rudy, Diane
Tuesday June 27				
Workshop on the EITI Work Plan	Herdmanston Lodge	09:30-12:00	Review the Draft Work Plan (cost, timeline, roadmap for Beneficial Ownership). Formulate final version of work plan.	Susana, Ana Maria, Rudy, Diane, MSG Working Group
Workshop on scope and content (materiality) of EITI reporting		13:30-16:30	Establish the scope of reporting (who should report, what to report, how to report and for which period?) using information available in Moore Stephens Report	Susana, Ana Maria, Rudy, Diane, MSG Working Group
Wednesday June 28				
EITI National Coordinator & team on-the-job training	Ministry of Natural Resources	09:30-14:30	Share experiences/good practices with EITI team, to strengthen its capacity	Ana Maria, Rudy, Diane
Private Sector (MSG)		15:00-16:30	Share experiences/good practices with private sector representatives at MSG	Susana, Ana Maria, MSG private sector reps.
Thursday June 29				
Workshop on PR/Communications	Cara Lodge	09:30-13:00	Establish best practices for strategy and implementation. Formulating a “Communications Plan” for GYEITI	Susana, Ana Maria, Rudy, Diane, MSG Working Group and other MSG representatives
Workshop on the EITI Work Plan and Materiality		13:30-16:30	Share experiences/good practices with EITI team with a focus on Guyana’s EITI submission	Susana, Ana Maria, Rudy, Diane
Meeting with the Minister of Natural Resources	Ministry of Natural Resources	17:30-18:15	Provide the Minister of Natural Resources with an update on progress and follow-up actions on EITI as well on WB oil/gas sector support	Minister Trotman, Teresa Gaime, Susana, Ana Maria,
Friday June 30				
Wrap up meeting	Cara Lodge	09:30-13:00	Discussion of progress made and next steps	Susana, Ana Maria, Rudy, Diane, MSG

Annex 2: Overview of Execution Plan for GYEITI Candidacy Submission



Source: National GYEITI Secretariat, June 2017.