

Consolidated responses - implementing country strategy consultations

Energy transition

1. *Do you think the EITI should be involved in the current global discussion on energy transition? If yes, what role do you think the EITI could play in this discussion? If no, why?*

Afghanistan:

Civil society (1)

No

Civil society (2)

Yes, although as a minor element. Could encourage Afghanistan to bypass fossil fuel generation.

Albania:

Yes, we think EITI should be included in the current global discussion of energy transition.

In the electricity sector, EITI should aim to include this sector in EITI reporting and to regulate the reporting process in this sector.

Argentina:

Absolutely. Energy transition is a cross-cutting issue in all the extractive industries and has a significant impact on the production of non-renewable natural resources. EITI, as a global authority on matters of transparency, can contribute to the debate, offering its perspective and speaking on behalf of the Standard-implementing countries.

Armenia:

Civil society

Yes, it could be involved. EITI is often considered an initiative that wants to promote the extractives by any means rather than bring in a good practice of natural resource management. In order to change this perception and carry out the right mission, it would be good to expand EITI's role to other extractives.

Burkina Faso:

Yes. EITI should participate in current global debates on energy transition.

EITI could encourage the extractive companies to promote the use of renewable energy in their activities, while focusing on environmental issues.

Also, as part of their CSR, the extractive companies could support the surrounding population to use renewable energy.

Chad:

The EITI should become involved in debates about energy transition. For countries such as Chad, where access to energy is a real development issue, by encouraging the development of other natural resources such as solar to promote rural electrification. The energy mix will feel a real impact of EITI in Chad.

Civil society (1)

Outreach and advocacy actions are essential for implementation of the SDGs.

Civil society (2)

EITI is a multi-stakeholder group, so each stakeholder will need to take part in the debate on energy transition, which I consider has a link with the extractive industries.

Industry

EITI can not remain indifferent to these debates on energy transition. EITI too must take an active part in these debates.

National Secretariat

Yes, EITI should take part in current global debates on energy transition. Awareness-raising, encouragement and promotion role.

Cote d'Ivoire:

Yes, EITI should participate in current global debates on energy transition which, beyond the extractive industry, has a strong connection with the environment and all renewables. To this end, the role of EITI would be to contribute to raising countries' awareness of the importance of energy transition and encouraging energy sources with the lowest greenhouse gas emissions. Then, EITI could contribute to monitoring compliance with standards on issues related to the environment and sustainable development.

Democratic Republic of Congo:

Civil society

Yes, because the mining sector is destroying the ecosystem and they must adopt mitigation measures. Moreover, the new Mining Code has established a duty for reforesting ecosystems destroyed by mining activity. EITI, therefore, should ask the institution that mobilises the funds allocated to reforestation of the mining sector to declare what it has mobilised so far to fight against climate change. This institution that mobilises the reforestation funds should finance other renewable energy activities in the mining sector.

Dominican Republic:

Civil society

Extractive activity is a major consumer of energy and fossil fuels. The years to come require significant technological changes to minimise environmental harm at global and national levels. The EITI can become a valuable tool to promote knowledge and detailed information about the participation of the EI in the energy sector and share among its membership information about the changes and innovations that this necessary transition will entail. This would contribute not only to the debate itself on transition and the form it takes, but also to the knowledge and updating of member countries on the energy future under construction and the technological possibilities within countries' reach.

Government

The issue of energy transition is of vital global importance, which is why we believe that, like any other national or international organisation, it did ought to involve itself in it; but we do not believe that it should form part of the mandatory requirements of the EITI Standard, due to its being a highly technical issue that is not part of the nature of this transparency initiative.

Germany:

Energy transition and extractives industries are related. An energy transition will change the demand for energy resources, the demand for technology metals for key technologies of the energy transition and will change the extractive industry itself in terms of its energy supply and energy consumption. For the German extractive sector in particular, energy transition is already at the heart of the public debate.

Yet it is less clear how the EITI could be involved in this discussion. The MSG of the D-EITI from the beginning addressed the topic in its discussion on the scope of the D-EITI and preparation for the first D-EITI report. For the first report published in 2017 the MSG decided to include a chapter on renewable energy in Germany. This chapter was updated and extended by a subchapter on the future demand for technology metals and extractive resources for key technologies of the energy transition for the second report. The subchapter is a summary of a comprehensive study commissioned by the MSG analyzing the topic in more detail. The chapters are descriptive and belong to the contextual part of the report. Aspects of the energy transition are not included in the financial reporting and there are no specific disclosures.

The idea to include geothermal energy (based on its relation to the mining law) or further sectors of renewable energy into the reporting and reconciliation was to the contrary discussed but not followed up any further. Among others the structure of the sector consisting of a huge number of economically relatively small actors was a key argument in the MSG discussion here.

Phasing-out the mining of fossil raw materials is a global challenge. In future decades, change in energy supply and nature conservation will be a crucial part in climate and energy policy of all EITI-Countries and beyond. Therefore, the MSG generally agreed in its common goals to include aspects of sustainability in its reporting and will in this regard continue to discuss meaningful and practical ways to contribute to relevant debates in the national extractive sector. Limitations are the scope of the EITI standard, the mandate, the expertise and the resources of the MSG. However, the D-EITI is open for any discussion how to meaningfully contribute to this current global discussion on energy transition with the objective to fight climate change. The international EITI should be too.

Government

It has to be taken into account that the core issue of the EITI is fighting corruption and the EITI should be aware of not losing its focus.

Civil society

As all countries are required to develop mechanisms of transferring into the non-fossil energy future, future EITI reports of all implementing countries could include information of this process. The EITI, giving its multi-stakeholder-approach, can help to raise public awareness and strengthen social dialogue. Only with a strong but aware participation of the industry and governments energy transition will have a realistic chance to succeed. Unlike Germany, where a multi-stakeholder committee ("Coal Commission") was founded to discuss phasing out lignite

extraction, many countries lack of such bodies. Here, national MSGs could become a central forum for the debate on energy transition and thus help to prepare a social consensus for its implementation.

Resource-rich countries depend on state revenues (directly by licenses, but also indirect by taxation of fossil energy consumption). Under EITI, best practices on how these countries can manage the transformation of the energy system and how they can finance the structural change could be shared and create added value.

Ghana:

We believe EITI data has some relevance to ongoing discussions on energy transitions, but it will again amount to overstressing the initiative's reach if it got involved in these discussions. Of course based on the findings and recommendations of EITI reports country level stakeholders may engage around national policy discourses on energy transitions and even the emerging concept of stranded assets.

Guinea:

Yes, EITI may take part in debates, because not only is EITI interested in sustainable development, including energy transition, but also the availability of clean energy gives added value to the commodities extracted the the Els, through their transformation into finished or semi-finished products.

Mauritania:

Given the growing impact of fossil fuels on the climate change that is now an implacable threat to humanity, the question of energy transition should no longer be overlooked within EITI, all the more so since its area of interest is the activity that contributes the most to greenhouse gas emissions. Insofar as the end objective of the Initiative is to ensure inclusive and sustainable human development, not only for current generations but for those to come, not to participate in the debate on energy transition would be questionable. With its level of information and involvement, there is no current organisation more qualified than EITI to participate in this existential debate.

Netherlands:

Government

I do not see a role for the EITI in the Energy transition.

Niger:

Yes, EITI should take part in current global debates on energy transition. Its role will be to raise the awareness of all actors in the sector to the enormous energy needs of populations and, especially to prepare for the exhaustion of extractive resources and to work for preservation of the environment.

Philippines:

Civil society

Yes. Because this is an issues which involves everyone. But specifically, the EITI should be proactive in providing the awareness building at the ground level (subnational)

Industry

No. EITI should focus on sharpening (skills in) data disclosure and analysis before taking on additional issues such as energy transition.

Government

No. EITI has no role in this discussion/matter.

Republic of Congo:

No, there are sufficient organisations authorised to do this.

The various challenges that EITI poses lead to actions that have not yet been properly appreciated.

Senegal:

EITI should not take part in this debate. The new EITI requirements (environment, gender, beneficial ownership, per-project declaration) already require time for their ownership and effective implementation by the EITI-implementing countries.

Sierra Leone:

Yes.

EITI to be involved in the current global discussion on energy transition through the following roles:

- Advocacy - That EITI should be involved and increase its influence in advocating on issues such as increased access to clean and affordable energy, responsible use of the biogas etc,
- Facilitate multi-actor Consultation - EITI has the expertise to facilitate multi-actor engagements. Such expertise should be cascaded into its role in global discussion on energy;
- Use EITI Energy Strategy to influence change – stakeholders assumed that EITI has a strategy to promote energy issues. Where this is a yes, one role of its involvement into the current global discussion on energy should be used as an opportunity of making change happen within the society of stakeholders on global energy issues.

Tanzania:

The energy transition is a pathway toward transformation of the global energy sector from fossil-based to zero-carbon by the second half of this century. The energy transition will be enabled by information technology, smart technology, policy frameworks and market instruments.

Although the global discussion is not a key EITI mandate, participation of EITI in such discussion is important since it can affect direct or indirect some of EITI functions. EITI could play a significant role by being neutral in the global energy discussion and its contribution should be based on facts and the basic principles under which EITI was established. Its main objective should be geared towards supporting governments and non government organization in developing policies that support energy transition in a transparent manner.

Timor-Leste:

Industry

Energy transition is an important topic which requires involvement from all the international entities, so it would ideal to see EITI's involvement in the discussion.

Trinidad and Tobago:

Yes. In many countries, the EITI provides contextual information to the population on developments in the extractive sector and plans for decarbonization can be included. Future versions of the EITI Standard can be amended, requesting countries disclose information on national plans or policies linked to a transition to renewables or other plans to reduce emissions etc.

Ukraine:

EITI report is a perfect tool to describe the current situation in the energy sector of the country therefore it could be used to analyze how the country is in line with the energy transition global policy.

UK:

MSG members had mixed views on this question.

Industry members thought that EITI should not be involved in the energy transition. They thought that energy transition is an element of good governance of society's fossil fuel resources so it will need to be considered by extractive companies, but that they didn't think it was the role of EITI. Some identified the risk that this could dilute EITI's focus.

Civil society members thought that EITI should be involved in this discussion in order to raise awareness of the key issues at stake and the impact of the energy transition for the extractive industries and communities affected by them. They suggested reporting on country-specific climate impacts and future threats and on companies' carbon risk exposure.

Members of the Government constituency said that EITI has a responsibility to ensure global discussions on energy transition do not undermine or neglect current progress being made in extractive governance and transparency, and its continued importance in economic development. Should EITI decide to get involved, it needs to set clear parameters that are applicable for all implementing countries. It is evident that not all countries are prepared to explore the energy transition and its implications globally (i.e. the minerals "boom" as a result), therefore it needs to be dealt sensitively.

If EITI does decide to focus more on energy transition, it should only do so with a clear view on what value it can add and what specific role it can play.

2. Are there opportunities in your country to link your EITI process with your government's reforms/policies on energy transition?

Afghanistan:

Civil society (1)

No, there are no opportunities in Afghanistan to link the EITI process with the government's reforms/policies on energy transition.

Civil society (2)

Don't know

Albania:

In the framework of the Government Program but also the priorities of EITI Albania, besides focusing on the Oil and Mining sectors which is being fully covered by the EITI initiative and the EITI reports, there is a special focus on the production of electricity which has been introduced for the first time by Albania in EITI reporting in 2014.

Argentina:

In recent years, Argentina has promoted a greater share of renewable energy and natural gas in its energy matrix. In parallel with this, the country has been a member of the G20 energy-transition working group, which seeks to move towards systems that are cleaner and more flexible and transparent, focusing its work around energy security and affordable access to energy. The EITI process is complementary to this, since it too constitutes a process of dialogue to maintain a balance between sectors with different interests and visions.

Armenia:

Civil society

It would be possible and advisable to apply EITI process to extractives such as water and forests and, respectfully, the hydropower and bio energy.

Burkina Faso:

Not at the moment

Chad:

Yes, as part of the Government's energy policy regarding the promotion of new and renewable energy sources (solar, wind, biomass, hydro, geothermal, etc.).

Civil society

Alignment to the national development plan process, in order to:

- Improve the climate of security and social cohesion;
- Strengthen the system of governance of the institutions of the Republic;
- Diversify the sources of wealth creation and mitigate the economy's heavy dependence on the oil sector;
- Ensure sustainable management of the general and living environment; and
- Develop human capital and strengthen social protection systems.

Industry

As EITI-Chad is anchored to the Ministry of Oil, Mines and Energy, that should enable it to more easily involve its process in Government reforms/policies on energy transition.

National Secretariat

Yes, there is currently a directorate of new and renewable energies within the Ministry of Oil, Mines and Energy.

Cote d'Ivoire:

Yes, opportunities exist, especially as the authorities are becoming ever-more aware of the importance of these matters in the overall direction of management of energy and the environment. As evidence of this, Côte d'Ivoire has been participating for years in international and regional forums dedicated to environmental and energy transition issues. In addition, while

showing its desire to become the premier energy market in Sub-Saharan Africa by 2030, Côte d'Ivoire has formed a Ministry of Renewable Energy for implementation of this policy.

Democratic Republic of Congo:

Civil society

Yes, because this is required under the current Mining Code of the DRC.

Dominican Republic:

Civil society

In the DR, energy transition and the reforms to make it effective are still at an initial and insufficient stage. The issue has not been raised as such and has not been discussed in EITI-RD-NC. The biggest mining company operating in the country has advanced in the use of biomass in its power plant. As for the Dominican Government, the largest investment it has made in its entire history was in the recent installation of two coal-fired 340 MW power stations. There can be no doubt that this is an evident step backwards. The use of solar and wind energy is being gradually increased, from the field of private generation and by major consumers, without the Government having thus far a broad policy for harnessing solar energy directed at houses and homes. The effort for national construction of a consensus for a country policy to enable a change in the energy matrix and to address the crisis in the national electricity sector, as laid down by the National Development Strategy, ended in failure after more than three years of work and debate.

Government

No

Germany:

A major government policy under discussion in the past months is the phasing out of lignite extraction in Germany until 2038 which would also end power generation from lignite in Germany which still contributes more than 11% to the primal energy consumption. A government commission, involving companies, CSO and labour unions agreed on a general strategy which is expected to become a law in 2020. The D-EITI did not report on the process as it is in the political arena yet and there is no data/ no information to report about. Once the strategy has passed the legislative process information about the law, its implementation and the process of transition can be included in the report provided a respective decision of the MSG is taken.

Ghana:

The Ghana EITI has so far provided opportunities for extractive sector fiscal reforms. In respect of energy transition, the discourse really, has been about energy sufficiency, reliability, and affordability. In this context, the country continues to look at the role of gas (considered relatively cheaper) in the country's energy mix. Renewables are discussed mostly in the context of smallscale, usually rural energy supply.

Guinea:

Not at the moment.

Mauritania:

It is possible to link the EITI process to reforms related to the growth of renewables in the energy mix. This would make it possible to incorporate into the requirements obligations in relation to environmental standards, particularly with respect to energy use. Mauritania already has

significant alternative energy potential (hydro, solar and wind) and the gas operations due to commence soon could be used to lay the foundations for energy transition.

Niger:

Niger has undertaken a series of reforms and policies to improve its population's access to electricity and to abandon the use of fuel wood. It is possible to link the EITI process to these reforms and policies on the energy transition.

Philippines:

Civil society

Aside from creating law that specifically focus on energy transition, it should be emphasized that the EITI be a strong partner in data generation for policy formation.

Republic of Congo:

No

Senegal:

Senegal is a signatory to the Paris Climate Agreement. A national conference on sustainable development is held periodically. The Environmental Code of Senegal is also in the process of revision.

Sierra Leone:

YES!

The following opportunities exist:

- *Increase demand* - Energy is a national concern and government is being pushed to accept that clean and affordable energy is a basic need, and should be urgently provided;
- *Political will* - Policy reforms process for access and use of clean energy, are ongoing;
- *The West African Power Pole Project* – This is a regional initiative to link the clean energy potentials of all the West African countries for one easy management. Sierra Leone is being linked to the main Ivory Coast power grid. Government is now on in-country distribution processes.

Tanzania:

There are plenty of opportunities that EITI can capitalize in support of government's reforms on energy transition by simply collaboration with other implementing countries progress and learnings toward achieving low-carbon energy transition. However, Tanzania is not one of country with the intense fossil-based energy usage, any reform toward extraction of energy resource may have impact on EITI mandate/activities. Therefore, EITI should stand as lever to promote policy formulation that encourages technology advances that improve society lives and protect climate.

Timor-Leste:

Industry

Currently the government has not identified its policies in energy transition. So, it might require extra efforts for EITI in TL to initiate discussions on such policy in the country.

Trinidad and Tobago:

Previous TTEITI reports identified efforts of the Government to promote renewable energy and energy efficiency. The TTEITI MSG also has an environmental sub-committee that focuses on related issues and energy transition matters can be included in their future deliberations.

Ukraine:

EITI Report could describe the progress of the country in energy transition and evaluate it against the target.

UK:

The UK has made great strides in reducing its dependency on fossil fuels, particularly for power generation, whilst still growing its economy. The Government has made a strong commitment on the back of the latest IPCC Special Report on Global Warming of 1.5 °C to bring in legislation on our legally binding long-term emissions reduction target to net zero greenhouse gas emissions by 2050, thus ending our contribution to rising global temperatures. In Scotland this will be by 2045. Whilst there will still be a need for domestic oil and gas production from our mature and declining basin as part of the UK's energy mix as we reduce demand for hydrocarbons throughout the economy, there will be a clear role for the oil and gas sector to enable the energy transition by using its skills base and expertise to develop technologies and capabilities needed for the energy transition. It is still not clear if there is a role for EITI in this process. MSG members agreed that we need to look into this further.

3. What steps should be taken by the MSG if it wants to link the EITI process with the implementation of national policies on energy transition?

Afghanistan:

Civil society (1)

None

Civil society (2)

Don't know

Albania:

The Albanian Government is already aiming to further develop the Electricity and Extractive Sectors, making it a financially, operationally and technically viable sector. It has listed the well-being of natural resources as part of its strategic priorities in the chapter "Sustainable and inclusive growth".

Argentina:

The MSG believes that transparency is fundamental to generate a consensus on energy transition between the stakeholders involved and society in general. Guiding energy transition requires consistent data for all sectors: Timely and robust data are needed to track and adjust policies when necessary.

Armenia:

Civil society

As a first step, the national policies on energy issues as well as relevant resources (water, forest) can become a subject of discussion by MSG as well as a topic for policy input.

Burkina Faso:

Review the responsibilities of the MSG to take account of the issue of energy transition.

Chad:

Civil society

The consolidation of peace and security; the large-scale creation of decent jobs; the diversification of sources of sustainable economic growth; equitable public access to basic social services; set up a committee to consider this.

Industry

The Multi-Stakeholder Group can lobby the Government, which is quite attentive to these issues.

National Secretariat

Adapt texts to the new situation.

Cote d'Ivoire:

Measures taken by the MSG could include, among others:

- Creating a framework for permanent consultation with the bodies in charge of energy and energy transition;
- Developing an agreed strategy within this framework.

Democratic Republic of Congo:

Civil society

The Multi-Stakeholder Group should ask the institution that mobilises reforestation funds to declare what it has mobilised so far.

The Multi-Stakeholder Group should propose to the Government to finance renewable energy using the reforestation fund mobilised by the National Forestry Fund.

Dominican Republic:

Civil society

The first thing is to have detailed knowledge and reliable information on the energy sources used by companies in the industry and the direction of their short- and medium-term decisions with regard to this necessary transition. From there, there is a need for EITI-RD to serve as a driver of changes for this transition and as a champion of the adjustments and adaptations required by policies in this area. All this must be within a framework of transparent practice and compliance with the Law.

Government

None, since the country has entities in the sector that address these highly technical issues.

Germany:

The MSG will have to define the nature and scope of the linkage to the national policy. Provided there already is information, consultation and reporting on the implementation of that policy (as

there was in the past) the MSG would have to identify a meaningful contribution. The study commissioned by the MSG for the present report is an example for such a linkage.

Statement CSO in the D-EITI MSG:

Possible further topics to shed light on and to include in the report are figures on CO2 emissions, excise taxes and subsidies.

In countries where MSGs could serve as central forum for debates on energy transition (see point 1), the EITI reports could also contain recommendations for its implementation.

Ghana:

The EITI reports must be required to make observations and comment on developments in the oil and gas sector, and how they affect ongoing discussions on energy transition. For instance, if oil and gas fields are maturing, then it becomes imperative for the producing country to begin looking for alternative sources of energy.

Guinea:

N/A

Mauritania:

Based on the potential alternative or low-polluting energy sources such as gas, require the extractive companies to declare their sources of energy and give incentives to companies that make efforts in this respect.

Niger:

Niger recently became a gas-producing country. The Government encourages the use of this gas instead of fuel wood and is thus contributing to the fight to preserve the environment. EITI can act in the sense of making this energy resource available to populations at a promotional price.

Republic of Congo:

None

Philippines:

Civil society

Link with the right government agencies.

Senegal:

Conduct a study on the role that EITI can play in energy transition.

Sierra Leone:

- Through consultation with relevant stakeholders;
- Government to lead and own the process;
- Expand the scope and mandate of the MSG to include key sector players;

Tanzania:

MSG would need to work with both parties, governments, NGOs and societies by stepping up and expanding its scope of work to have a much wider platform to share experiences and best practices to support both government policies formulation and energy players participation in energy transition. Also actively consulting with societies so that their expectations are matched

with government policies and energy companies innovations. Being a lever between governments, companies, societies and other players to achieve a sustainable development in energy transition.

Timor-Leste:

Industry

MSG would need to wait until the government have identified the national policy.

Trinidad and Tobago:

(See answer to question 2)

Ukraine:

Energy transition should be included in the ToR for EITI Report and in the Work plan in order have the basis for the future activities in this dimension.

UK:

MSG to discuss at January meeting and Secretariat to explore with BEIS climate change colleagues.

Consolidated, from **Anglophone Africa** regional call:

- Energy transition will have an impact on the extractive industry and inevitably the EITI. Some countries may have to consider risk of stranded assets, and others will need to improve oversight of production/exports of strategic minerals.
- Policy discussions on energy transition and implications for the extractive industries are not advanced, or are not happening within the EITI circles. The EITI could be better linked to national energy transition policies (where these exist). In some cases, oversight of those accountable for making progress on transitioning to more sustainable sources of energy may be necessary.
- EITI reporting is providing information that is relevant to inform debates around energy transition. Examples include information on petroleum exploration for countries considering to develop a petroleum industry, coal production (although is not looking into utilisation of such resources), and deposits/production/exports of critical minerals (e.g. cobalt and manganese).
- More could be done to support the government in developing policy related to energy transition and implications for the extractive sector, although the MSG and national secretariats would need more capacity to do so.
- The EITI would have to target the government and policy makers that will be making decisions related to the energy transition. In some cases, this will entail working with ministries and government agencies not currently involved in the EITI process.
- EITI's work on energy transition should not entail new requirements to be assessed as part of Validation.

¹ Representatives from Ghana, Nigeria and Zambia participated in the call

Consolidated, from **Francophile Africa** regional call²:

- There was an opportunity cost between work on the core mandate of the EITI and focus on the energy transition. The EITI is not and should not be a substitute the COP. However, the EITI should find its place within this transition.
- This was not felt to be an immediate objective of the EITI. The EITI could help, but only if local bodies feel that they have the capacity to do so.

Consolidated, from **Southeast Asia** regional call³:

- Most stakeholders do not think EITI should engage in this matter. EITI should focus on what it is currently doing
- EITI could have a role in awareness raising

Consolidated, from **Central Asia** regional call⁴:

- There were mixed opinions regarding its relevance for EITI (but no strong opposition). For example, one country expressed strong support, even suggesting amendments to the "EITI Law" to include more relevant data. Another country (where there is only mining, no oil and gas), seemed to be more interested in the ecological aspects of the sector.

² Representatives from Senegal, Burkina Faso, Cameroun, DRC, Guinea, Mali, Niger, ROC and Togo participated in this call

³ Representatives from the Philippines and Myanmar participated in this call

⁴ Representatives from Albania, Armenia, Kyrgyzstan and Ukraine