



Extractive Industries Transparency Initiative



Suriname

Suriname EITI work plan 2023-2024

Background

The Extractive Industries Transparency Initiative (EITI) is a global Standard to promote understanding of natural resources management and to strengthen public and corporate accountability. This initiative seeks to address the risk of corruption and to strengthen the government and companies' systems, through providing more transparency and accessibility to the extractives sector data, the EITI standards and requirements defines the countries need to become first an EITI candidate till it reaches the compliance level.

On April 29, 2016, the Minister of Natural Resources, Mr. Regilio Dodson declared that Suriname was officially committed to become an EITI implementing country. The EITI covers two extractive industry sectors in Suriname namely mining and oil & gas. With the concurrent publication of the Independent Administrator's reconciliation reports for fiscal years 2018, 2019 and 2020, EITISR has now produced reconciliation reports for five (5) fiscal years, starting from fiscal year 2016. EITISR has sourced funding to prepare independent Administrator reconciliation reports for fiscal years 2021 and 2022.

The EITISR multi-stakeholder group (MSG) is keen through this workplan to address certain strategic areas that were highlighted by the last validation¹ carried out in 2021 (the next validation is planned for October 2023), bearing in mind the limited resources and capacity available within the current MSG, and the crucial role of an effective MSG and National Secretariat for EITI implementation success, the MSG has prioritized the following strategic areas, which cover part of the last validation remarks, with respect to implementation of the requirements of the EITI Standard namely, strengthening transparency systems within government agencies and companies, as well as improving the performance of both the MSG and the National Secretariat.

¹ The validation is an assessment mechanism to assure the ability of the EITI implementing countries to meet the provisions of EITI standards.

The specific proposed strategic priorities are as follows:

1. *Strengthening the institutional structure of both the MSG and the National Secretariat*
2. *Systematic information disclosure and accessibility*
3. *Communication and Engagement strategy*
4. *Strengthening Social and Environmental expenditure*

Within the strategic areas mentioned, the MSG proposes the following activities under each priority to facilitate its implementation:

1. Strengthening the institutional structure of both the MSG and the National Secretariat

The MSG is providing the purpose, vision and is the standard bearer of EITI implementation in a member country. For this reason, the MSG is recognized as the main decision-making body responsible for setting the vision and objectives for EITI implementation and monitoring all related activities. In this regard, the MSG works closely with the National Secretariat which is the day-to-day operational arm and implementor of MSG policy and decisions in compliance with the EITI Standard.

Since inception in 2016 the EITISR MSG and operational National Secretariat, have developed ways of working which are inimical to the effective implementation of the EITI in country. This has, in part, led to the current situation where the principal leadership roles in both the MSG and the National Secretariat lack incumbents dedicated full time to EITI implementation.

It is recommended that a comprehensive revamp of the Terms of Reference for both the MSG and the National Secretariat be undertaken as a matter of urgency. This will allow for a clarification/delineation of roles and responsibilities of National Secretariat staff and MSG members. view to its structure and past performance is required, evaluating the relation with the government, inquiring about the status of the National Secretariat and its members, the appointed a National Coordinator along with the National Secretariat team members, and to define the different roles of both the MSG and the secretariat.

Activity 1: Ways of Working (WoW) Workshop

A special MSG workshop to discuss the raised issues and the way forward, reviewing its TOR, setting a plan or a roadmap with different milestones, assignments, and accountable parties, to develop the role of both MSG and the National Secretariat, assuring better functioning and alignment between the two key EITI implementing bodies in country.

Activity 2: Recruitment plan

The MSG should develop a plan for recruiting both the National Coordinator and the staff of the National Secretariat, which includes drafting a recruitment proposal, as well as all essential steps and procedures in alignment with the government and potential donor agency policies, with a proposed sustainable operational budget and funding sources.

Total cost: USD 40,000,00

2. Systematic information disclosure and accessibility

This falls under the second EITI requirement that represents the legal framework concerning the allocation of contracts and licenses, license registration, awarded contracts, beneficial ownership, and state participation in the extractive industries.

Activity 1: Systematic disclosure consultancy

The MSG should source funding to contract a consultant familiar with the EITI, to review the assessment of Suriname's legal framework and regulatory system, conducted during the initial (2016) scoping study, to detect any new or overlooked potential barrier for the implementation of the enhanced systematic disclosure requirements of the EITI's Standard disclosure procedures.

Activity 2: Beneficial ownership workshop

Conduct separate hydrocarbons and minerals sector workshops to advance the work done EITI requirement 2.5 (Beneficial Ownership), to establish and maintain a publicly available register of beneficial owners of all the corporate entities participating in the oil, gas and mining sectors. The workshop goal is to raise awareness among public and private sector on the importance of such disclosure, its role in securing a transparent legal framework and awarding mechanism, and to reach a consent over the definition of both terms beneficial owner and politically exposed person.

Activity 3: Initiating a public debate over systemic disclosure

Contract a local PR/Media firm to develop and implement a public education campaign encouraging public debate about the benefits of systematic disclosure. This campaign's aim would be to improve stakeholders' understanding of exploration and production rights awarding process, along with its regulatory frameworks.

Total cost: USD 15,000,00

3. Communication and Engagement strategy

Developing a communication strategy to re-establish public awareness and knowledge of the EITI initiative, as well as engaging different stakeholders in the implementation process phases, to assure better understanding with high participation level. It is also essential to share the EITI published report findings with public to raise their awareness and understanding of the EITI reporting goals and mechanism.

Activity 1: Brain storming session

The MSG to conduct a brainstorming session to develop the communication and engagement plan main elements: objectives, budgets, channels, monitoring, evaluating and messages to be disseminated.

Activity 2: Contracting a media firm

The MSG should set the tendering procedure for contracting a capable local media firm to develop the EITI communication and engagement strategy. The MSG is responsible for drafting the TOR (Terms of Reference) for this task, including setting objectives and outcomes expected from this media firm and most important to approve the different messages to be conveyed to different stakeholders.

Activity 3: Engagement system

The MSG is responsible for the monitoring and the evaluation of the communication and the engagement plan. This should be on the base of outcomes of the media firm report.

Total cost: USD 75,000,00

4.Strengthening Social and Environmental expenditure reporting.

EITISR should commence the consideration of the way social and environmental expenditure and allocation management is included in its reports. Such consideration should include disclosure of such transactions that are considered contributions to support social development or to account for potential environmental impact, also to ensure that contributions reach the intended beneficiaries, achieving the desirable impacts and outcomes.

Activity 1: Conduct internal Social and Environmental reporting readiness review

The MSG should establish a sub-committee to understand its role and the implementation requirements of this EITI requirement, as the guiding notes specifies different implementation conditions for this expenditure disclosure.

Activity 2: Pilot Project

Once the MSG agrees an approach to S&E reporting, a small group of mining and oil and gas companies will be approached to participate in a pilot project to include S&E reporting for the 2022 Fiscal year report. The following action plan disaggregates the actions needed to be taken by the MSG and associated entities to comply or achieve the recommendations provided in the validation report and the Independent Administrator² (IA). It also reflects the proposed strategic areas to be addressed. Examples of good practices of what could work as a good example for the case of Suriname is also provided in some cases.

As the coming validation is scheduled for October 2023, it is highly recommended that the MSG conducts a workshop prior to it, specifically for setting the plan for the way forward, and to align all efforts to assure obtaining a good score on the assessment scale. Starting with reviewing the progress on addressing the recommendations of the last validation report, in addition to the preparations in line with EITI provisions assessment structure that consist of Part I, II and III.

Total cost: USD 12,000,00

² The AI provides recommendations aimed at improving existing reporting and auditing systems, also conducting reconciliation on payments, receipts, and transactions.

Expected Outputs	Activities	Timeline
Validation assessment workshop	The MSG to conduct a preparation workshop prior to the assessment day to: To review progress on the last validation recommendations Coordination with all related parties to assure alignment, In line with the assessment structure.	Q3 2023
1.0 Reviewing the MSG & SEITI secretariat status evaluation Review on its progress.	MSG to conduct an internal workshop to evaluate its role and status, reviewing its progress and areas need to be addressed on the Admin and Technical level and to review the current National Secretariat and progress achieved to date.	Q4 2023 Q1 2024
1.2 National Secretariat TOR.	MSG to revise the National Secretariat TOR.	N/A
1.3 Appointing a National Secretariat Coordinator	Assigning a National Coordinator, to head the National Secretariat	Q2 2023
1.4 Develop the secretariat functions	The National Secretariat functions and role should be approved by the National Coordinator and the MSG	Q1 2023 – Q3 2024
1.5 Appointing Secretariat staff members.	The National Coordinator oversees this task in collaboration with the MSG.	Q2 2023- Q4 2023
1.6 National Secretariat funding.	For more financial stability issues, it is recommended that the secretariat operational cost is funded by the government.	Q2 2023
1.7 Establishing accountability	Due to the overlapping nature of both MSG and National Secretariat roles, it advised to establish or draw a clear accountability line between MSG and the National Secretariat	Q4 2023 – Q1 2024
1.8 National Secretariat capacity building.	Due to the key role of the National Secretariat in the EITI implementation, the appointed National Coordinator should handle the capacity building of the secretariat members.	Q3 2023 – Q4 2024
1.9 Work Plan, the MSG is required to maintain a functional work plan fully costed, aligning with the EITI implementation objectives.	A work plan to be drafted and endorsed by the MSG, include measurable and time bound activities to achieve the agreed objectives.	Q1 2023 – Q2 2023

Developing EITISR Communication and Engagement Strategy.		
Brainstorming session	The MSG to conduct a brainstorming session to develop the main communication strategy TOR should be included.	Q2 2023- Q2 2024
Outsourcing a media consultancy firm to deliver the EITI-Suriname communication strategy.	The MSG to outsource a local media firm to develop the strategy.	Q4 2023- Q1 2024
EITI requirement 2: The Suriname Government is required to disclose full information over all contract and license awards and transfers taking place during the accounting period covered by the most recent EITI disclosures.		
2.2.1 The MSG group should define the scope of what should be disclosed from the contracts and licence documents	MSG aided by the Ministry of Natural Resources, should:	Q3 2023- Q2 2024
	- Agree upon what text to publish from contracts and licenses	
	- Suriname is required to disclose any contracts and licenses that are granted, entered, or amended from 1 January 2021.	
	- Agree upon which types of contracts to prioritize i.e., new contracts, currently existing contracts etc. ³	
	- Agree upon systems to protect the privacy of the companies.	
	- Agree upon an online platform to host this information	
Contract an EITI consultant (to develop systematic disclosure road maps.	The MSG to hire an international EITI consultant or specialist to review the EITI disclosure system and any potential barriers within the legal local framework.	Q3 2023 - Q4 2024
2.2.3 Assemble and publish information online publicly	1. MSG must create a group to oversee:	Q2 2023 - Q4 2024
	- Information is updated constantly	
	-Information is kept under strict privacy protection	
	2. Before publishing notify all the companies (including the ones which do not have representatives of the MSG) of the decision to disclose information on licenses and contracts	
	3. Provide companies with enough time to raise any questions before publishing	
2.2.4 Define the modes or means of public access (the platform in which contracts will be disclosed)	Structure the online platform in a concise and simple access way. The website could be structured as:	Q1 2024 - Q4 2024
	- Contract disclosures	

³ <https://eiti.org/sites/default/files/2022-01/EN%20EITI%20GN%202.2.pdf>

	<ul style="list-style-type: none"> - Licenses bidding rounds information: 	
	<ul style="list-style-type: none"> - List of bidders 	
	<ul style="list-style-type: none"> - Details of the selection processes 	
	<ul style="list-style-type: none"> - Allocation details 	
2.2.5 Maximizing public education and outreach	<p>MSG should work on a communication process of training the public on:</p> <ul style="list-style-type: none"> -Technical information and plain language explanation of contracts to avoid misunderstanding - Link between contract disclosures and terms and other EITI data i.e., to understand license allocation, to understand revenue flow and PSC contracts etc. - Linkages to licenses registration: It's not only important to know the licensee but it is important to understand that the bidding process followed a transparent process. 	
EITI requirement 2.3: The Government should maintain a publicly available register or cadaster system(s) with the following timely and comprehensive information regarding each of the licenses pertaining to companies within the agreed scope of EITI implementation.		
2.3.1 Status of the modernization of the cadaster (2017)	<p>The MSG will need to enquire into the status of the cadaster digitization status:</p> <ul style="list-style-type: none"> - Inquire about the internal capacity to complete the digitization on time 	<p>Q1 2024 Q4 2024</p>
2.3.2 Development of a website to publicly host the information of the cadaster.	<p>Include the following information on the cadaster registry:</p> <ul style="list-style-type: none"> -License holder(s) - Where collated, coordinates of the license area. Where coordinates are not collated, the government is required to ensure that the size and location of the license area are disclosed in the license register. - Date of application, date of award and duration of the license. - In the case of production licenses, the commodity being produced. 	

Appendix Work Plan Summary of Activities:

EITI requirement 2.5: In accordance with Requirement 2.5 and the Board-agreed framework for assessing progress, Suriname is required to disclose the beneficial owners of all companies holding or applying for extractive licenses by 31 December 2021.

2.5.1 Re-engage in the conversations for the definition of Of beneficial owner and “political exposed person”	Define the legal instruments in which these two concepts will be included (beneficial ownership and political exposed person) ⁴ - Conducting a workshop about the BO importance and the initiation of a register or a cadaster.	Q1 2024 - Q4 2024
	Define the level concept of beneficial ownership and political exposed person	
	Define the details about the identity of these BO, meaning the detail of the information which is going to be disclosed.	
	Data verification process - who shall verify this and how should they do it	
	Define the institution that could best be suited to maintain BO data.	
	Define the period for the gathering of information and corroboration	
	Define the reporting entities - Which companies must report and under which circumstances	
	Define penalizations for false information and incomplete information	
2.5.2 Public disclosure of information	Check the internal capacity of the institution to gather the information and keep updating it.	Q1 2024 - Q4 2024

Strengthening the institutional structure of both the MSG and the National Secretariat

Activities	COST in USD
A. Consultancy to review and assess the institutional structure of the MSG and the SREITI Secretariat and make recommendations.	7,000.00
B. Conduct workshops to reach agreement on assessment and recommendations	500.00

⁴https://eiti.org/sites/default/files/attachments/legal_approaches_to_beneficial_ownership_transparency_in_eiti_countries.pdf

	<p>Agree upon a website or a government portal to include and disclose this information.</p> <p>Workshop with stakeholders about the gathering of information and privacy queries</p> <p>Reaching out to public and private companies through a media campaign.</p>	
EITI requirement 6: Encouraging disclosure of information related to social and economic expenditure.		
6.1 Social and environmental expenditures by extractive companies	If such expenditure is mandated by law, the MSG is encouraged to disclose this information and to agree on a reporting process.	Q1 2024 - Q4 2024
6.2 implementing countries must include disclosures from SOEs on their quasi-fiscal expenditures	MSG is required to develop a reporting process for the SOEs public social expenditure such as (payments for social services, public infrastructure, fuel subsidies, and national debt servicing.	
	<p>A two-part workshop to be organized:</p> <ul style="list-style-type: none"> -First is Internal, to improve the understanding of the MSG members of this requirement, and its specific implementation conditions. - Second phase is about educating the main stakeholders over this requirement and their role and responsibilities. 	
	A pilot study trial of Social and Environmental reporting by a small subset of companies utilizing a special reporting template	
C. Implement recommendations (operational costs 1 year co-shared with government contributions)		32,500.00
Systematic information disclosure and accessibility		
Activities		COST in USD
A.Consultancy to review and assess existing contract and license system and provide recommendations for implementing enhanced systematic disclosure requirements (Possible collaboration with Staatsolie)		5,000.00
B. Conduct separate hydrocarbon and minerals sector workshops to advance the work done re EITI requirement 2.5 on Beneficial Ownership,		2,000.00

to establish and maintain a publicly available register of beneficial owners of all the corporate entities participating in the oil, gas and mining sectors. (MSG company group to lead)	
C. Contract local PR/Media firm to develop and implement a public education campaign encouraging public debate and understanding about the benefits of systemic disclosure	8,000.00
Systematic information disclosure and accessibility	
Activities	COST in USD
Contracting a media firm	75,000.00
Systematic information disclosure and accessibility	
Activities	COST in USD
Consultancy to conduct an internal workshop to review social and environmental reporting understanding and readiness, recommend an approach to S&E reporting and set up a pilot project to include S&E reporting for the 2022 Fiscal year report	12,000.00
Contingencies years 2023/2024	18,000,00