



**TERMS OF REFERENCE
FOR**

**THE PROVISION CONSULTANCY
SERVICES ON VALIDATION**

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1. Background

The Extractive Industries Transparency Initiative (EITI) is a global standard that promotes transparency and accountability in the oil, gas and mining sectors. EITI implementation has two core components:

- **Transparency:** oil, gas and mining companies disclose information about their operations, including payments to the government, and the government discloses its receipts and other relevant information on the industry. The figures are reconciled by an Independent Administrator (IA), and published annually alongside other contextual information about the extractive industries in accordance with the EITI Standard.
- **Accountability:** a multi-stakeholder group (MSG) with representatives from government, companies and civil society oversee the process and communicate the findings of the EITI reporting, and promote the integration of EITI into broader transparency efforts in that country.

The EITI Standard encourages the Multi-Stakeholder Group (MSG) to explore innovative approaches to extend EITI implementation to increase the comprehensiveness of EITI reporting and public understanding of revenues and encourage high standards of transparency and accountability in public, government operations and in business. The requirements for implementing countries are set out in the EITI Standard.

EITI Implementation in Papua New Guinea

The PNG Government led by the Minister for Treasury applied for EITI candidacy in 2013. In 2014 PNG was accepted as a candidate country, with the government committing to work alongside civil society and extractive industry companies to implement EITI. The MSG was officially established in 2015 through a Memorandum of Understanding (MOU) to oversee the establishment and implementation of EITI in the country. In the same year the PNGEITI National Secretariat office was established and operationalised.

The Objectives of implementing EITI in PNG:

- Ensure a well-established and fully functional National Secretariat Office and the Multi-Stakeholder Group;
- Show extractive industries' contribution (both directly and indirectly) to the PNG economy;
- Improve public understanding of the governance of the extractive industries, including details of mining and petroleum licensing and approval process and any other prevailing licenses, reference to environmental and other regulatory processes and approvals;
- Strengthen revenue generation and collection, ensure consistency, transparency, accountability and accuracy of recorded payments or transfers by extractive industries to the government with receipts recorded by government (including sub-national government entities). Also, to ensure there is accountability by government in the utilization of these funds, including transfers to subnational levels of government and landowner groups;
- Engage stakeholders to effectively address issues affecting PNG's extractive industries; and
- Monitor and evaluate EITI implementation in the country.

The MSG ensures that the PNGEITI framework is tailored to PNG laws and regulations and that the initiative is implementable by relevant government entities and industry companies. Also, to identify weaknesses or deficiencies in the current regulatory environment which may require actions by government to address them.

2. Provision of Consultancy services on Validation

The PNGEITI calls for expressions of interest from competent firms or consultant (s) to compile documentation in preparation for Papua New Guinea's second country validation. This task will require high level coordination among the Multi-Stakeholder Group members for the collection and collation of data and information.

2.1 Rationale for this assignment

The second country validation will be executed under a 'New Validation Model' which differs from the previous model used in the first country validation. This new model will introduce usage of new reporting templates that will require detailed data gathering and collation of information for a comprehensive assessment, capturing each requirement of the EITI Standard. Due to the technicality of the information and data, this exercise requires adequate time and dedication to collate and complete. The National Secretariat with the endorsement of the MSG, have agreed to engage the services of an independent administrator to undertake this assignment.

2.2 Objective of the assignment

The objective of the assignment is;

- (i) To prepare the MSG for the second validation exercise;
- (ii) Coordinate pre-validation workshops for the Validation Technical Working Group and the MSG;
- (iii) Compile data and information using the validation templates;
- (iv) Provide technical support to the TWG and MSG during the course of this assignment.

2.3 Scope of the assignment

The Consultant shall;

- (i) Liaise directly with the TWG and the MSG for information and data;
- (ii) Fill out validation templates;
- (iii) Review the validation templates, finalise and prepare for submission;
- (iv) Conduct self-assessment for the stakeholders under each of the requirements;
- (v) Highlight validation gaps and take stock on areas that are pending;
- (vi) Prepare stakeholder listing for the validation consultation;
- (vii) Compile schedule for the stakeholder consultations.

2.4 Timeframe and Deliverables

The consultancy services shall run for a duration of Five (5) months from the date of signing the contract.

Phase	Deliverables	Timeframe
One (1)	Initial data collection and filling up of Validation templates	30 November 2021 to 21 January 2022
Two (2)	Review validation templates	24 January to February 11 2022
Three (3)	Conduct self-assessment workshops for each of the respective templates	14 to 18 February

Four (4)	Provide the support to address identified gaps/report addendum Continue populating and regularly updating dossier	28 February to 28 March
Five (5)	Highlight validation gaps and take stock on corrective action areas that are still pending	10 March
Six (6)	Finalise documentation for submission to Validation Team (EITI International Secretariat) <ul style="list-style-type: none"> • Finalise the dossier for the Validation Team; • Finalise list of stakeholders to be consulted and schedule of stakeholder consultation 	21 March to 28 March

2.5 Work Arrangement

The consultant shall be paid 30% of the total cost upon approval and signing of the contract while the balance will be paid upon completion of task with satisfactory results.

2.6 Copyright

All related material collected, compiled and formulated out of this assignment shall remain the property of PNG Extractive Industries Transparency Initiative.

2.7 Required Qualifications and Experience

- (i) Consultant must have more than five (5) years proven experience in data compilation, and conducting data analysis;
- (ii) Extensive experience in producing high level data and information assessment for research and or validation would be an advantage;
- (iii) Excellent technical capacity in high level stakeholder engagement and facilitation;
- (iv) Must be tax compliant; indicating Tax registration certificate or TIN;
- (v) In addition, if operating as a company, it will be a requirement to submit certified copies of the Certificate of incorporation as a company.

In this Assignment:

2.8 PNGEITI will be responsible for:

- (i) Coordinating meeting and workshops for the validation;
- (ii) Funding the cost of the assignment and logistics associated with it;
- (iii) Engaging with the consultant and provide guidance where and when needed;
- (iv) Reviewing documentation for each phase/deliverable.

2.9 The Consultant will be responsible for:

- (i) Preparation of a technical and financial proposal, work plan and budget for the assignment;
- (ii) Liaising directly with the TWG and the MSG throughout the assignment;
- (iii) Collecting data and information in consultation with the TWG and the MSG;

- (iv) Provide weekly updates to the PNGEITI during the course of the assignment;
- (v) Produce deliverables in accordance with the requirements and timeframes outlined in this Terms of Reference.