



**PNG EXTRACTIVE INDUSTRIES
TRANSPARENCY INITIATIVE
NATIONAL SECRETARIAT**



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3rd November 2020

Dr Mange Matui, PhD

Secretary
Constitutional & Law Reform Commission [CLRC]
P.O Box 3439

BOROKO

National Capital District

Attention: Mrs. Dorothy Mimio Kesenga- Deputy Secretary
Ms. Lois Stanley – Director, Advisory & Drafting Division

Dear Secretary,

SUBJECT: INVITATION TO CONSTITUTIONAL & LAW REFORM COMMISSION TO BE PART OF THE TECHNICAL WORKING GROUP [TWG] ON DRAFTING THE PNGEITI COMMISSION BILL

Reference is made to the above subject matter whereby the Office of the Constitutional and Law Reform Commission is invited to be part of the PNGEITI Technical Working Group [TWG] on the proposed PNGEITI Commission Bill.

The PNG Extractive Industries Transparency Initiative [PNGEITI] is a Government initiative established in 2013 to promote transparency and accountability of revenue received from the mining, oil and gas sector and how it spends these funds. The EITI is a global best practice standard that promotes good governance in the extractive sector. PNG has been implementing the EITI through its Multi-Stakeholder Group (MSG) comprising of representatives from government, extractive industries representatives and the civil society. Refer to PNGEITI website for more information. <http://www.pngeti.org.pg>

EITI implementation in PNG is currently based on the National executive Council [NEC] Decision # 90/2013 that gave effect to the establishment of the PNGEITI MSG and a National Secretariat office to implement EITI.

As the EITI implementation has matured in PNG since its establishment and following the adoption of a National Policy Framework on Transparency and Accountability in 2018, it has now become necessary to ensure that the PNGEITI National Secretariat has a legal basis to sustain its operations administratively for the long term.

The legislation of EITI operations is consistent with the above NEC Decision that directed the establishment of the EITI National Secretariat at the Department of Treasury at the inception stage and to be eventually established as an independent agency. This was reiterated in the Government's 2018 National Budget Economic and Development Policies Statement [Vol1, p.115] presented to Parliament in November 2017. The Government announced that the PNGEITI MSG continued with its work to

develop the PNGEITI National Policy Framework and subsequently, the National EITI Law to provide the legal avenue for PNG EITI's transformation into an independent entity.

A legal consultant was engaged last year to draft the proposed PNGEITI Commission Bill, intended as an EITI establishment law. The draft Bill went through a lengthy consultation process, which ensured all relevant stakeholders providing inputs on the Draft Bill. A revised draft was submitted to State Solicitor late last year for legal clearance. The State Solicitor, after reviewing the draft Bill raised a number of concerns on various sections of the Bill [copy of letter attached] that requires further clarifications before it is finalized.

The TWG's effort in progressing this work in the first quarter of this year has been affected by the Covid-19 pandemic disruptions; hence, the TWG is yet to address the list of concerns raised by State Solicitor before the draft Bill could be finalized.

I therefore seek CLRC's support in this work through the engagement of your Advisory and Drafting Team to be part of the TWG and to assist where necessary in this legislative process going forward. Your support in our endeavor to ensure PNGEITI is legally established as a separate statutory entity will be greatly appreciated.

Yours sincerely,



LUCAS ALKAN

Head of National Secretariat