



A STRATEGIC ROADMAP FOR NATIONAL EITI POLICY FORMULATION

KEY CONSIDERATIONS [NOW]

- What is Extractive Industries Transparency Initiative (EITI) and its purpose and Intent?
- Consider key Policy, Process and Administrative Areas in the Extractive Industries Value Chain that 2013 and 2016 EITI Standard Requirements apply.
- Why Formulate Extractive Industries Transparency Initiative National Policy for Papua New Guinea.
- What is the main focus scope of the Extractive Industries? Oil & Gas and Mining
- Oil & Gas and Mining Extractives are Non-Renewable Resources or Finite Resources which will never be replaced.
- The EITI in its entirety has to guide the Extractive Industries Activities as they lead to payments.
- List all Extractive Industries [Macro + Micro] Onshore and Offshore and their Activities.
- All Payments from Extractive Industries lead to Government Budget and Trust Accounts and Cash Payments to Landowners.
- Find Permanent Policy Solutions to ongoing Landowner Issues with both Government & Industry.
- Organic Law on Sovereign Wealth Fund 2015 Funds Payment Considerations
- SHELL [International Oil Giant] posits that by 2075, all Non-Renewable Fossil Fuels in the world will be gone.
- Peter Botten from Oil Search mentioned in the media that 40% of Oil & Gas has been extracted already in PNG.

- PNG has other Extractive Industries to Consider: Forestry, Fisheries, and Agriculture & Energy.
- Diversification of PNG Economy from Extractive Industries to Sustainable Industries in the future.
- Alignment of EITI Policy to Broader Government Policies and Long-term Plans and Vision 2050.
- Phase 1 – Formulation of National EITI Policy before we proceed on to develop Phase 2 - PNG EITI Legislation starting with a Drafting Instruction.

EITI PHASE I – FORMULATION OF NATIONAL EITI POLICY 2017

IMMEDIATE TERM COURSE OF ACTION [2-4 WEEKS]

POLICY TEAM

- .Inquire into all existing policies, new policies, laws, and reforms that come under Oil & Gas and Mining and ascertain where and what EITI Requirements 2013 and 2016 cover.
- Inquire into All NEC Decisions pertaining to this Sector.
- All Payment Arrangements, Agreements, Transactions Activities, Contracts, Taxation and others between Industry and Government in line with evolving EITI Standard Requirements of both 2013 and 2016 respectively.
- Consider key recommendations from PNG EITI Fiscal Year Reports of both 2013 and 2014, Scoping Study Report, and other sector Policy Documents of PNG EITI.
- International Extractives Policy Issues and Comparative Analysis of Extractive Industries Governance in the EITI World.

MEDIUM TERM COURSE OF ACTION [1-6 MONTHS]

POLICY TEAM

- Consult and Conduct Interviews with key Government Officials pertaining to this sector.
- Consult and Conduct Interviews with key Industry Players pertaining to this sector.
- Consult and Conduct Interviews with key Landowner Individuals and Company Executives.
- Host Seminars, Meetings and Workshops to capture key information for the National Policy. This should involve both in-country and international Experts in the EITI spectrum.
- Regional Field Visits to Extractive Industry Sites and Landowner Establishments to gauge real issues first-hand on the ground.

LONG TERM COURSE OF ACTION [6-12 MONTHS]

POLICY TEAM

- Compile and collate all information gathered from Immediate to Medium Term Actions.

- Ascertain, Analyse and Incorporate Information into Draft National EITI Policy
- Circulate to Relevant Individuals to Citizens concerned for final Comments.
- Finalisation of Responses and Changes to the Draft National EITI Policy
- Copy of Final Draft National EITI Policy to MSG for Consideration and Endorsement
- Forward to CACC and NEC for Approval
- Official PNG National EITI Policy Launching
- Attention turns to Drafting EITI Legislation
- Starting with putting together Drafting Instruction for EITI Legislation

EITI PHASE II – ESTABLISHMENT OF NATIONAL EITI LEGISLATION AND AUTHORITY 2018

IMMEDIATE TERM COURSE OF ACTION – [2-4 MONTHS]

LEGISLATIVE DRAFTING TECHNICAL TEAM

- Inquire and Initiate a drafting instruction that captures vital policy and process issues pertaining to the extractive industries.
- Cite all key international and local issues of the EITI experiences.
- Adopt all key policy and process issues and interests captured in the National EITI Policy and translate into Drafting Instructions to develop Draft EITI Bill.

MEDIUM TERM COURSE OF ACTION – [4-8 MONTHS]

LEGISLATIVE DRAFTING TECHNICAL TEAM

- The Draft Bill will be developed from the Drafting Instructions formulated first.
- This process will be supported by an expert in Drafting Laws, most preferably – the services of former FLC Mr. Ramatlap to support the Drafting Team.
- The completion of the Draft EITI Bill will see country-wide consultations with all key stakeholders and the public involved.
- Finalisation to the Final Draft Bill of changes after consultations will require Consideration and Endorsement by the MSG before it goes through the Draft Bill Channel to NEC to instruct FLC to draft EITI Bill for Parliament to have it passed for Gazettal.