Key Role Players and External Stakeholders in the Extractive Industries

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At International Training Programme on Audit of Extractive Industries
IDENTIFYING KEY STAKEHOLDERS

LOCAL COMMUNITIES

GOVERNMENT AUTHORITIES

OIL, GAS AND MINING COMPANIES

NON-GOVERNMENT ORGANISATIONS

MULTILATERAL ORGANISATIONS

GLOBAL INITIATIVES IN EI

SUPREME AUDIT INSTITUTIONS
Objective: Participants to understand the role of key stakeholders in extractive industries.
Identifying key Stakeholders

EXTRACTIVE INDUSTRIES

- Government authorities
- Oil, gas and mineral companies
- Multilateral Organisations
- Non-Governmental Organizations
- Supreme Audit Institutions
- Local communities
- Global Initiatives
Local communities

- Areas where the resource is found.
- Could be owners depending on the jurisdiction
- Are impacted by EI activities.
- Can hinder progress of activities.
Several institutions are set up
The institutional set up varies from country to country
Responsibilities should be clearly spelt out to avoid conflict
Parliament, regulatory authorities, revenue authorities, environmental authorities
Set policies, make laws, award contracts, monitor activities, collect and manage revenue
May participate in mining/petroleum operations through national petroleum/mining company
Examples of Government Authorities

- Ministry of mines, petroleum or energy
- Ministry of finance
- Ministry for the environment
- Ministry of health, labour or safety
- Revenue/tax authority
- Investment promotion agency
- State-owned enterprise
Oil, Gas and Mining Companies

- These are awarded contracts/licenses
- Carry out extraction of the resource
- Can be national/multinational

Examples: Total, Exonmobil, Schlumberger, Glencore PLC, Rio Tinto PLC, Anglo American
Non-governmental organisations (NGOs)

- Hold government and industry accountable
- Promote governance of the sector (promoting best practice)
- Inform and educate the public about pertinent issues in the sector
- Assist citizens to voice their concerns about the sector
- Advocate for the interests of affected parties (women, children, communities)
- Example: NRGI, Publish what you pay, World Petroleum Council, Women in Mining
Natural Resource Governance Institute

A non-profit organization established to help countries realize the benefits of their endowments of oil, gas and minerals.

Provides technical advice, advocacy, applied research, policy analysis and capacity development

Natural Resource Charter

Resource Governance Index (RGI): Measures the quality of governance in oil, gas and mining sectors of 81 resource-producing countries.
Multilateral Organisations

Examples: World Bank, IMF, UN, AFDB

- Develop principles and standards (UN Global compact, IFC's Environmental and Social Performance Standards)
- Provide expert support for development of the sector (policy, legal framework)
- Capacity building, publications,
- Facilitate agreement on utilisation of resource wealth
Global Initiatives in EI

Concerted effort by organisations and stakeholders to address global issues in the sector

• Extractive Industries Transparency Initiative (EI information disclosure)

• Kimberley Process Certification Scheme (remove conflict diamonds from supply chain)
Extractive Industry Transparency Initiative

• The global standard for the good governance of oil, gas and mineral resources.

• EITI Standard requires disclosures of information along the extractive industry value chain

• 55 implementing countries

• Benefits of implementing the EITI include: improved investment climate, strengthening tax collection systems, creating a level playing field for companies
Supreme Audit Institutions

- Principles
- Standards
- Guidance
GET IN TOUCH

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