

22nd March, 2017

RE: CSO CONSULTATION ON EITI GOVERNANCE

After consultations, I do submit our comments and inputs in regards to the improvement of EITI Governance as follows. The comments are submitted without a particular order of prominence.

General Comments on Memarts and Board Manual

Generally, the EITI Articles of Association and Board Manual have serious gaps and would benefit from a serious review.

Specific Comments or suggestions

1. Quorum and AGM Meeting procedure

To determine quorum, there should be an update register. The current quorum rules are unrealistic and it appears they have never been followed. For example, it is not clear to determine how many EITI Members were in Lima and how many voted. A serious review should be made and realistic mechanisms for determining quorum be developed.

2. **Nominations**- Nomination procedures should be constituency based and coordinated by the Constituency Coordinators through a transparent and fair process. Other Constituency should never vote on nominations from other Constituencies.

Floor Nominations: Admission of Nominations from the floor of the AGM should never be accepted. It encourages confusion and is difficult to manage procedurally.

3. **Constituency Coordinators** -There should be constituency coordinators and sub constituency coordinators who may be board members. This facilitates feedback and linkage between the board and the Constituency, especially where the Coordinators are not board members.

4. **Membership and Constituencies** - Constituency Coordinators should be responsible for having an update membership registry because they may be having better understanding of the dynamics of their constituency. Alternatively, a membership subcommittee could be established to discuss applications for membership. The Articles should also clarify whether membership is infinite is renewed after a particular period of time. It should also clarify what is the minimum and maximum number of members that the EITI needs to have. Currently it is around 600 but there is no clarity on whether admission of new members has been closed.

5. **Board Membership and Support**- The EITI Secretariat should provide greater support to ensure constituency consultations

6. **Responsibility of Board Members.** According to the Articles of Association and Board Manual- Board membership is individual but at the same time members represent a constituency. This therefore suggest a duo responsibility and accountability track. If not well balanced this duo track can be a source of confusion as it suggests that in exercising his or her duties board members should apply their independent mind but at the sometime abide by the rules of the constituency. In reality, sometimes constituency views may not reflect the independent views of the board member and this may affect the nature and quality of the board member's engagement and contribution to the board. Since as per the Articles of Association, board membership is individual, board members should be at liberty to express their independent views. Tying Board member's views to a particular may require introduction of roles and rules similar to those of a '*chief -whip*' system where one of the board members is entrusted with powers to develop constituency lines and ensure all other board members tow the line.
7. **Board Terms-** There should be a term limit of a maximum of two consecutive terms of full board membership. Alternates who are not able to serve as full members during this term should be allowed to contest for full board membership positions when the term of the full board members comes to an end. This reduces the risk of limiting alternates serving their entire term on the board as Alternatives.
8. **Participation of Board Members-** The Secretariat should facilitate participation of Board Members in EITI meetings and activities. Since board participation is individual, why should organisations be burdened to finance the board member's participation in EITI Board activities? Global best practice shows that all organization facilitate their board members to participate in board activities
9. **Board Vacancies-** Alternates should be immediately replace full board membership vacancies since they will have gathered tremendous skills, knowledge and experience. They should be the most preferred candidates to take over.
10. **Dispute Resolution-** This should be approached with caution. The EITI was not conceived to be a court of arbitration. Clarity should be made on the nature of disputes to be entertained and where they should be addressed. The mechanism should be ring fenced to ensure that the EITI management is not overwhelmed and locked down in resolving disputes. Some of the disputes could be frivolous and others could expose the EITI Secretariat to litigation. So, careful caution has to be exercised when developing such a grievance mechanism. Grievances related to constituency should be handled by the respective constituencies and grievances against the Secretariat may be addressed to the Chair and copied to the board members. The capacity to handle grievances should also be examined.

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