

## **Terms of Reference of the Multi-Stakeholders' Working Group committed to implement Extractive Industries Transparency Initiative**

### **One. General provisions**

1. Multi-Stakeholders' Working Group (hereinafter referred to as the "Working Group") committed to implement Extractive Industries Transparency Initiative (hereinafter referred to as "the Initiative") is a democratic constitution consisted of Tripartite (Government, Company, Civil Society) consultative body with functions to prepare, organize, and coordinate the implementation of EITI.
2. The objective of the Working Group is to ensure preparation and organization of the implementing EITI and to assist to implement basic principles and international rules, standard of EITI.
3. Main form of the Working Group operation is a meeting, which is expression of Stakeholders consensus. The meeting shall be organized in a form of cabinet and online.
4. Besides MSWG meeting it is allowed to organize meetings and interviews, to establish specified committees and subcommittees in order to discuss a specific topic and express their opinion freely. This committee, subcommittee and interviews shall ensure an equal participation of Tripartite.

### **Two. The main actions of the Working Group**

5. The main actions of the Working Group:
  - 5.1. To ensure the transparency of the payments and receipts between government and extractive companies by reconciling and disseminating those payments and receipts by outstanding auditing consortium in accordance with the international standards;
  - 5.2. To organize national conferences, seminars, trainings, study tours, demonstrative exercises and other events related to implementation of EITI;
  - 5.3. To promote and improve public knowledge of basic principles and criteria, benefits, implementation process and results of EITI;
6. The Working Group shall develop its Plan of Action. This Plan of Action shall be based on international rules and frameworks and shall be effective,

### **Three. Organization of the Working group**

7. The Working group shall comprise of equal numbers, established by the Government of representatives by Government institutions, Extractive companies, representing mineral production and exploration mineral holding companies, companies with petroleum production sharing agreement, their subcontractors, hereinafter called as Companies and Non- governmental organizations, associated to support transparency in extractive industries, hereinafter called as CS coalition.
8. Members of Working group shall nominated and ejected as per following procedure:

- 8.1. Those representing Government institutions and institutions reporting to State Great hural shall be nominated and ejected by Prime Minister.
  - 8.2. Those representing companies and professional associations, and companies with petroleum production sharing agreement, shall be nominated and ejected by President of Mongolian National Mining Association.
  - 8.3. Those representing CS coalition shall nominated and ejected by meeting of consultative council of TAN or Publish What you paid and representing Civil Council of natural environment by governance meeting of respective Council.
9. Chief of the Working group shall senior adviser to Prime Minister of Mongolia.
10. Rights and obligations of Chief of the Working group
- 10.1 To organize and implement decisions of the National Council and Working group.
  - 10.2 To take initiatives to form representations of Constituencies in National Council and Working Group, insure equal participations.
  - 10.3 To organize preparatory works of meetings
  - 10.4 To chair meetings, or in case of absence to delegate to other members to chair meeting of Working group;
  - 10.5 To assign clear task and duties to members of the Working group, in between meetings, supervise implementation.
  - 10.6 To submit topics drafted by the Working group to National Council and get deliberations.
  - 10.7 To report to the National Council on progress and result of EITI implementation, on principles, criteria and policy;
  - 10.8 To report of the chairman of National Council on progress of implementation and issues, and get relevant directives;
  - 10.9 To direct the Secretariat on daily basis;
  - 10.10 To moderate and coordinate activities of State administrative organizations in relation to EITI implementation;
11. In absence of chief of the Working group, the chief shall propose a person, who is member of both National Council and Working group for chair. The chair shall have the same rights and obligations.
12. Equal participation shall be insured,
- 12.1. Each constituency shall have own senior.
  - 12.2. Senior of Government Constituency shall be chairperson of Mining policy of Mining Ministry, for the companies, the executive director of Mongolian National Mining association shall be, and for Non- governmental organizations, the Coordinator of Coalition of Non- governmental organizations TAN or PWYP.
  - 12.3. The Constituency may change senior within own constituency, if so, article 8.a shall not be binding.
  - 12.4. A senior of Constituency shall have following rights and obligations.
    - 12.4.1. To insure that all members of Constituency are attending the Working group meeting, if not, obtain written consent from member, who is not able to attend.

- 12.4.2. In case of chairing the meeting, delegated by chief to prepare meeting, chair meeting, organize implementation of decisions of the meeting, and report on implementation
- 12.4.3. To organize participation of members of own constituency in preparation of specific issue, in implementation of made decision, organize activities assigned by the Working group and report on implementation.
- 12.4.4. If needed, to obtain proposals from own constituency members in advance, make consensus.
- 12.4.5. Make proposals on behalf of constituency in regard to meeting topic, debating them.
- 12.4.6. Make proposals to alter membership of own constituency and inform chief of Working group on final decision..
- 13. Secretary of the Working group shall be coordinator of EITI Secretariat and have the same powers and duties as Member of Working group.
- 14. Secretary of the Working Group under ruler-ship of the chief of the Working group shall coordinate members of Consistencies and activities of the Secretariat.
- 15. Rights and obligations of the Members
  - 15.1. To implement obligations as Member and own profile in implementation of EITI;
  - 15.2. To make proposals to meeting of the Working group and have deliberations;
  - 15.3. To express ideas, comments, and submit proposals in writing at meeting, discussions and consultations;
  - 15.4. To take initiatives, raise questions to implement EITI;
  - 15.5. Continuously to promote EITI, its principle, criteria, benefits and in the Mongolian context its policy, activities and reports.

#### **Four. Meeting of the Working group**

- 16. The core form of activities of the Working Group shall meeting. Each meeting shall have identification Number.
- 17. The meeting shall be organized with consent of chief of Working group, his absence of leader of constituency, delegated to organize a meeting. Secretary of the Working group shall have consultations about agenda of meeting with Chief of the Working group or chair person, replacing the Chief absent, and shall notify Seniors of Constituencies, and distribute materials of meeting at least 3 days prior date of meeting.
- 18. If one of Constituencies proposes meeting of the Working Group, then meeting can take place with joint preparations with Constituencies.
- 19. Seniors of 3 constituencies, members are specialized in specific fields can prepare for meeting, shall assist to Chief and secretary of the Working group in their meeting.
- 20. Seniors of 3 constituencies, members are planning to present specific issue shall submit in written form and electronically to secretary of the Working group and let include into agenda of meeting.
- 21. Draft of deliberated presentation by members shall be collected at the secretary of Working group and insure for discussions at meeting.
- 22. The quorum of meeting shall be a majority of members attending meeting, but it shall have at least 6 persons representing each constituency, supposed to attend. Written proposals shall be presented by senior of Constituency and shall be considered as attended a meeting.
- 23. Consultant or executives of organizations, which will be in charge for implementation may attend the meeting at invitations.

24. The minutes of meeting shall be produced. The minutes shall be carried out by Secretary of the Working group, or officer of the Secretariat. The minutes shall be signed by the Chief of the Working group and be official document.
25. Meeting of the Working group may take place in building belonging to Constituency in sequence, executives of organizations where meeting takes place shall introduce their organizations to Members.
26. Meeting and activities of the Working group shall be publicized at Website and mass media. For this purpose, the mass media may be invited to attend meeting.
27. In case of electronic meeting, decision shall be made chief of the Group, or under his/her instruction the secretary shall have consultations with seniors of Constituencies. Agenda of electronic meeting and draft decisions shall be forwarded with certain time limits, and feedback proposals shall be given in 2 days to members, and upon consultation with seniors of Constituencies a final decision shall be approved as minutes form. The minutes shall be countersigned by chief and secretary of the Working group and become an official document.
28. Materials of each meeting shall be stored as archive unit in accordance with archive rule. The same shall be applied in electronic meeting.

#### **Five. Topics of meeting of the Working group**

29. Agenda of meeting of Working group shall discuss the topics as follows:
  - 29.1. EITI implementing policy, plan, and related aspects
  - 29.2. Draft, introductions, assessment and conclusions made by members of the Working group for implementation of EITI.
  - 29.3. Draft and final Mongolia EITI annual report, its related study work, conclusions and validation aspects
  - 29.4. Information and proposals of relevant Government institutions such as agency about progress and results of EITI implementation
  - 29.5. Regulation of the Working group procedure, reporting and delivery of information
  - 29.6. Report of the Secretariat and presentation.
  - 29.7. Other

#### **Six. The Secretariat**

30. The Secretariat shall assist to the Working group. The Secretariat shall be under direction of Chief of the Working group and daily coordination of secretary. The statutory of the Secretariat shall be approved by Chairman of National Council, and the work plan shall approved by the Chief of the Working group.
31. The Secretariat shall be specialized in implementation of every aspect of EITI and be in charge for activities of the Working group on daily basis.
32. The Secretariat shall organize training, workshops and providing counseling in order to building-up capacity to implement EITI.
33. The Secretariat shall run Website and publicize progress and results of EITI implementation in Mongolia.

#### **Seven. Deliberation of topic**

34. Chief of the Working group shall schedule and organize drafting document and proposals mobilizing representatives of constituencies related to implementation of EITI.
35. During drafting document, members shall be guided by EITI purpose, principles and criteria, obtain local and foreign lessons, and comments and recommendations from relevant organizations, experts, specialized institutions and be responsible for correctness of data. The Secretariat shall assist in drafting documents.
36. The Group may organize experts group comprising of researchers, specialists, consultants to implement EITI.
37. Secretary of the Working group shall supervise and coordinate document drafting process and progress.
38. Members have to submit drafted documents to meeting of the Working group and get feedback from other members, shall finalize the documents.

**Eight. Decision making by Working group decisions and documents deliberated by the Working group and oversight.**

39. The Working group shall apply consensus mechanism for decision making. For this purpose, principle of equal 3 party participation shall be guided for deliberation of any issue. If there is no consensus, there shall be opportunity to vote.
40. Any proposal initiated by Stakeholders to be included into decision shall have legal basement, complied with EITI principle, criteria and be based on study work and evidence.
41. During process of decision making if 3 parties shall not reach understanding, then the following procedure shall be applied:
  - 41.1. The break of 5-10 days to come back for agreement shall be applied in case of one of party does not agree for making a decision, and the Working Group shall have discuss the issue upon presentation of prepared conclusions and proposals with ways of resolving with relevant legal rationale, forms of funding sources.
  - 41.2. Or, to form special sub group out of three parties representatives, which shall work and present conclusions and proposals for another meeting of the Working Group.
42. If parties agree to resolve the issue through voting, which shall be organized a motion shall be effective if 2/3 of voting representatives of each constituency voted in favor.
43. If 3 parties consider that they are not able to reach consensus on deliberated issue then Working Group shall submit to National Council, which has duties to organize, monitor and coordinate EITI in Mongolia.

**Nine. Implementation of drafts and decisions deliberated by the Working group and oversight**

44. The Working Group shall issue a recommendation for implementation and submit relevant proposals to the National Council, relevant ministries, agencies and officials for decisions.
45. Officials or representing body of the Constituencies, and relevant Ministry, organization shall implement decisions made by the Working group.
46. Secretary of the Working group shall check implementation of decisions and duties assigned at relevant institutions, introduce implementation status to members, and if needed, arrange review at meeting of the Working group, and in between of meeting give directions.

47. Chief of the Working group and Secretariat shall oversight on implementation of decisions of National Council by institutions, economic entities, officials assigned and their activities to implement EITI.
48. Chief of Working group, if needed members shall oversight the Secretariat activities aimed at EITI implementation and progress, and shall take measures mobilize and speed up implementation. .

**Ten. Other**

49. Stationery expenses of the Working group shall be funded from the Secretariat funds. Members shall have expenses for stationery and operation from own organization.
50. Chief of Working Group shall use blank, seal and stamp of Government Secretariat, or of the Secretariat.
51. Members of Working shall use blank, seal and stamp of own organizations.
52. Mongolia EITI shall have own logo.
53. The logo of Mongolia EITI shall be used for heading of materials of meetings of National Council, Working Group, Secretariat's documentation, office address, website and promotions
54. Chief, secretary and Members of EITI Working Group shall be allowed to have name cards with EITI logo.