

## **Minutes of meeting of Mongolia EITI Multi-Stakeholders Working Group (13 December 2013)**

34<sup>th</sup> meeting of MSWG was held in the Conference Room of Mongolian National Mining Association at 10 am, 13 December 2013.

Members present at the meeting: Byanbadagva (Chair of Division, Mineral Resources Authority); D.Munhsaihan (Officer of Mineral Resources Authority); D.Enhtuya (Tax Inspector, General Department for Taxation); N.Alгаа (CEO of Mongolian National Mining Association); N.Bayarsaihan (Head of Steps Without Boundaries NGO); B.Batbold (Board Member, Mongolian Environmental Civil Council); A.Gombojav (Member of Mongolian Environmental Civil Council); T.Otgonsuren (Officer of Transparency Foundation NGO); B.Bayarmaa (Head of Owners of Huvsugul Lake Fund); N.Baigalmaa (Officer of Human Rights and Development Center NGO); Adiya (Officer of Oyu Tolgoi LLC); and Sh.Tsolmon (Secretary of MSWG and Coordinator of EITI Secretariat).

Members including B.Hulan (Officer of Ministry of Mining), E.Sumiya (Senior Officer of Cabinet Secretariat) G.Zulai (Officer of Accounting Policy Department, Ministry of Finance), B.Munhbat (Officer of Development Policy Department, Selenge province), B.Otgonsaihan (Head of My Mongolia-Motherland Movement) and L.Dolgormaa (Officer of Responsible Mining Initiative NGO) submitted their comments on topics and requested registration as present at the meeting; subsequently request was accepted and they were registered in the quorum. Present were 17 (51.5%) of the 33 members of MSWG.

Also present: P.Oyunbileg (Manager of Adam Smith International), members of survey team of Interconsulting LLC, B.Delgermee (Communication Officer of EITI Secretariat) and A.Otgontungalag (Finance Officer of EITI Secretariat).

N.Alгаа, CEO of Mongolia National Mining Association, chaired the meeting.

N.Alгаа: I will chair today's meeting. Of all 33 members, so far 17 are present with attendance of 51.5%, so I propose to process. Now, let me introduce the agenda and internal rules.

I propose to allow 20 minutes for presentation instead of 30 minutes. (Members agreed)

### **I. TOPIC: Draft regulation for operation of EITI sub-councils at capital city and aimag/soums**

N.Alгаа: N.Bayarsaihan, Coordinator of PWYP Coalition, will present the draft regulation.

N.Bayarsaihan: Thank you. Before I start my presentation, I'd like to provide some information on the results of monitoring survey we conducted (Monitoring survey attached). Next presentation is the draft regulation for the sub councils. It is already distributed to you and I hope you have read it. In amending the regulation, we tried to reflect the comments and proposals made by rural participants of regional workshops (Presentation and draft regulation attached).

B.Delgermaa: Draft regulation for the sub councils were previously presented and distributed to participants of training and workshops, organized in the rural areas, and we received feedback. Based on the feedback, we tried to incorporate them in the draft regulation. Now I would like to ask you to give your comments on the draft regulation.

N.Bayarsaihan: However, it is impossible to include all comments and ideas. We need to have a simple regulation that contains main ideas.

N.Algaa: Draft regulation was already distributed to you. But, we were not able to discuss it thoroughly as we heard the presentation on the survey findings. Discussing the sub council regulation and approving it at MSWG meeting is inadequate as we have not agreed the structure of sub councils. According to procedure, we must discuss it at the MSWG, then submit to National Council. So you may ask questions regarding the draft regulation followed by giving us your comments and proposals.

A.Gombojav: Will the sub council be established at aimag, soum and districts? At the regional workshop, we talked about having sub council at aimag level and branch in the soum level. Was not that idea accepted or is it just mixed?

Byambadagva: Regulation of sub councils says that Administration of Governor shall be responsible for financing the councils. What amount of costs, for what type of activities and for resolving what issues?

N.Bayarsaihan: That means sub councils will propose their draft budget to local governor for approval, then governor by Citizens' Representative Hural. In the past, it was commented that government financing would be more effective. In addition, other ideas like getting larger financing from Secretariat and provide incentives to chairs of councils, but it is impossible for the time being.

B.Batbold: Company representative include professional associations and trade union. They are NGOs, so trade union must likely belong to civil society.

N.Bayarsaihan: Correct, will pay attention to it.

B.Bayarmaa: There is nothing in the regulation how to regulate cases that sub councils dissolve or re-arranged. Likely, we need to include some regulation, e.g. dispute resolution etc.

N.Bayarsaihan: Think that Memorandum on Cooperation will be signed by parties. His document will outline and regulate many issues. Draft says stakeholders will appoint their members in the council.

B.Bayarmaa: Can a memorandum be a legally binding document in the event of disputes?

B.Delgermaa: Seems that it is necessary to provide some provisions on duties and responsibilities of parties in the event of disputes. Right now, we have no provision on this.

Sh.Tsolmon: Can this be regulated by MGO Law or other provisions in the legislations?

B.Bayarmaa: Yes, some type of regulation must be included herein.

N.Algaa: If you have no any questions, you may now give your comments.

B.Batbold: Provision 8 says number of representatives will be set. What does it mean?

B.Delgermaa: Above it, it says in equal representation.

B.Batbold: Then it is coincidence. As long as there is provision saying 3 members from each stakeholder, it is incorrect to include as such.

N.Algaa: Numbers may vary in regions and rural areas. I understand the number of representatives of other parties will be set proportional to government representation.

B.Batbold: ... "equal representation from agencies, companies and citizens", it says.

B.Delgermaa: Basically, it says representation will be equal in general. After the local governor identifies his representations and number of people, equal number of representatives of other stakeholders will join the council; that is what it means.

N.Algaa: We don't necessarily need to remove it?

N.Bayarsaihan: Let's leave it after improving the content.

B.Batbold: Change to "...appoint and equal number of representatives will be included".

Members: That is it. Agreed.

A.Gombojav: Provision 6 says the representatives will be established or set by Citizens' Representative Hural. Governor must only identify the number of government representatives. Therefore, provisions 6 and 8 are contradicting. In addition, no any legislation contains a terminology "united meeting independent from local government". This must be re-formulated to citizens representative hural for soums and aimags and community meeting for baghs. Also, provisions 9.2 and 10.2 are coinciding, so they must be merged. Actually, terminologies are not properly made; likely not the ones consistent with legislation. In principle, aimag and soum citizens' representative hurals must establish the sub councils, and the councils must report to bagh, soum and aimag citizens, as well as, representatives of stakeholders must report to their constituencies. Need to agree that we will have sub-council at aimag and capital city, and branches in soums. Then, they provide their subsidiaries with guidelines and information. Also, functions must be clear and understandable. It is rule of game for the sub-councils. So, we must to clarify, simplify and make shorter the functions of councils at aimags, capital city and soums. Now, what about improving this draft regulation? In other words, rule of the game should be made clear. Also comments made at central region and Darhan workshops need to be incorporated in this draft regulation.

B.Bayarmaa: Does the sub-council have its charter? When we look at this draft regulation, it looks like a charter style driven. If we are trying to regulate the council without charter we must make it more clear and thorough. NGOs have their charters, then make their regulation following the charter. For instance, if we have very clear regulations on how to coordinate financing for the sub-council, how to report and who will be responsible, later monitoring results will be unclear. If it is regulation, it must not state the form of activities. Actually, charters outline general coordination while regulations contain more in-depth and detailed aspects; this is one way. Or, if there is no charter, regulation must be very clear; otherwise implementation will be unclear and insufficient. For example, some issues such as how to invalidate meeting decisions, how it must be considered valid, who will oversee the decisions enforcement and how and who to report etc.

N.Algaa: Any more comments?

Byambadagva: How the sub council will work in conjunction with the Secretariat? It will get funding from local government and its plans will be approved by Citizens' Representative Hural; in other words the regulation say everything is decentralized. Therefore, it would be better off to reflect a provision on ensuring equal participation of three stakeholders as we have now. For example, how the Secretariat will work with the council in organizing training and workshops.

N.Algaa: Members need to accurately read the draft regulation and must give comments in writing. As agreed during the regional workshop, aimags and capital city will have councils, then sub-councils in necessary soums, we need to stick with this idea. Need to get comments in writing, then distribute the final draft again for another round of written comments followed by submission to National Council.

Sh.Tsolmon: We have tight time available for finalizing. So, you will need to send your comments immediately.

N.Bayarsaihan: Your previous comments were reflected to greater extent, but not word by word. Likely in general content. It is better off that members send their comments as quickly as possible. Also, the meeting agenda did not include the presentation on monitoring findings and draft regulation of sub-council, so the presentations did not fit in available time. It was impossible to present the draft regulation without first presenting the monitoring results. In the next meeting we will also present the monitoring findings followed by survey findings. Please read and give your comments.

**RESOLVED to:** Assign N.Bayarsaihan (Coordinator of PWYP Coalition) and B.Delgermaa (Communication officer of EITI Secretariat) to compile comments from MSWG members before 3 pm, 17 December 2013, and submit to National Council.

**TOPIC: Implementation status of conclusions and recommendations of EITI Mongolia national reconciliation reports**

N.Algaa: Now, second topic. N.Baigalmaa, officer of Human Rights and Development Center, will make a presentation on the topic. As agreed, presentations will be made within 20 minutes.

N.Baigalmaa: My apologies from MSWG members. We have collected the survey data and classified findings, but not yet managed to meet some government officers; so final results have not been made 100%. If you want some briefing on how the survey is going on, I could introduce now.

N.Bayarsaihan: That means the result has not been released.

Members: Need to postpone as long as findings have not been revealed.

N.Algaa: Instead of pushing to finish the work and submit to upcoming National Council meeting, we could call for a National Council meeting earlier next year. Need to get audit reconciliation report and 2014 Plan discussed at the next meeting, not thus report.

N.Algaa: Now, let's decided to shift the topic discussion to the next meeting and start discussing third topic. We will revise the topic thoroughly and submit to National Council meeting.

Members agreed.

**RESOLVED to:** 1. As the survey has not finished, the topic was postponed till the next MSWG meeting.

2. The topic will be discussed late, then will be submitted to National Council.

**III. Findings of an assessment on public relations and communications outcomes of Mongolia EITI, conducted by Interconsulting**

N.Algaa: Selengee will make the next presentation, As a rule, it must not exceed 20 minutes.

P.Oyunbileg: Good day. Under our project, we have some activities including communications assessment and reforming the operations of EITI Secretariat on communication aspect. Under this work, our consultants including Enhjargal, CEO of Interconsulting Group, Selengee, consultant, and

other members of the consulting team. As a result, we will produce new Communication Program of EITI and an Action Plan. Current plan is too detailed, but not clear what information will be disseminated, to who and in what ways. We will provide more details, identify and prioritize target group and what information to be provided in details and etc. Therefore, our work is limited to only communications aspects of EITI. Under this assignment, we made two surveys; first, a group interview, and second, an individual interview. We presented the findings of group interview on the previous meeting while today we are presenting the findings of individual interview. Today is not for making any decisions, but we expect comments from you while the final decisions will be made at the next meeting.

Selenge: I will tell you two points before the presentation. The survey/assessment was carried out utilizing scientifically proven method, and please look at it as a document that you will use it in the future effectively. It demonstrates what achievement we had as of present and what must be done to succeed in the future; overall it must make conclusions on these points. It was conducted using statistics quantity or we call weighted average data (Presentation attached).

N.Algaa: Any questions on the presentation?

B.Bayarmaa: Will you be providing recommendations grounded on these surveys?

Selenge: Yes, we will provide recommendations based on comments and feedback from you.

Sh.Tsolmon: How sure are you that EITI is the only institution in Mongolia with tri-partite partnership. Likely, there are some other agencies like Employers' Federation and Responsible Mining Initiative, with tri-partite structure.

Selenge: Other countries implementing EITI basically have one structure while Mongolia has three layers; Secretariat, MSWG and National Council. IN other words, we compared Mongolia with other countries.

B.Bayarmaa: But, this says three stakeholders?

B.Delgermaa: It is understood that EITI is the only institution with tri-partite participation.

B.Batbold: Did the survey classify data like which channel is disseminating more information on EITI?

Selenge: It does not belong to question sets. We will gather this data in the stage of developing plans.

Byambadagva: Will the findings of this survey be presented to National Council? What is the expected result and recommendation? The survey looks like it is based on data collected from MSWG only. You also said MSWG does not work well with National Council; will the recommendations be made to upper level regarding structure?

Selenge: For us, we don't have such task. It is up to MSWG how to present it to the next level.

N.Algaa: Let's talk about different issues different time. Now, please ask clarifications and give comments on the survey.

Enhjargal: After this work is completed, two large workshops will be held on where, first we will present the strategic options. National Council members will be invited for this event. It will be a brief document. Then we will get your comments and develop final strategy.

N.Algaa: This survey was requested by Secretariat and National Council. Most importantly, we aimed at improving our communications activities. After we receive final recommendations, we will discuss them and take actions to enhance our outcomes. Likely, most recommendations will target on the MSWG. Based on the recommendations, we will develop our plans, which must be approved by National Council. So, it is good that if you give us your comments on both surveys.

Sh.Tsolmon: This survey is main part of our work and is conducted with funding from European Bank for Reconstruction and Development. It is actually a work that we have been trying to achieve since 2010, so this part is being conducted in order to identify that issue we have and how we solve them in the future. However, it is hard to agree with some findings. Second part of the survey basically demonstrated lack of information processing, human resources and financing, it seems. We expect the survey will find out different but unidentified challenges. Think that the conclusions need to be revised again checking if the problem is with our mindedness or if the problem is too big to solve.

N.Algaa: In my opinion, I don't think the survey is badly done. It has found out what we need. Until today we have not developed our mission and vision. So, we must start our work from right there. Regarding low capacity on data processing, we could not identify who needs what information; that is why we cannot process data. We have thick files of papers, but we fail to disseminate information using these papers. As a consequence, we cannot achieve our main goal. Grounded on these conclusions and recommendations, we must clarify our vision; that is very important. Therefore, the survey team should give us clear conclusions on the necessary issues to be resolved.

P.Oyunbileg: Under the project, we must organize the final workshop. On that workshop, we could identify three priority issues among 13 goals we have set forth.

Selenge: As we have contract on only communications aspect, some findings are limited. Actually, identifying goal is a different work, but we will try to achieve all possible findings.

N.Algaa: A request from Adam Smith is that you could organize a round table discussion next time to identify mission and vision, to clarify what information the target groups need and what information should be disseminated to public, based on the survey results. Then, we should talk which channels we will use for information dissemination.

B.Bayarmaa: Survey was conducted using interviews. Likely, a consolidated set of recommendations will be provided afterwards. However, this survey must give recommendations on the information content side. In other words, what works and phrases to use, then what medium etc. It must be identified as you are professionals.

N.Algaa: Communication is a big topic with significant importance, so it must be handled by professional and skilled people. If possible, we must have designated budget for a qualified and skilled team to disseminate information to public. Secretariat is busy and overloaded; it cannot do all these communication activities. Only professionals can identify what information to disseminate and deliver it. Therefore, survey must contain its most important part on defining the goal and target group. We must learn to use professionals for various tasks.

Sh.Tsolmon: Communication is the key to promoting transparency. We have plenty of information and data, so the survey must clarify which if these data to use more.

N.Algaa: We have plenty of data. We must clarify what information to disseminate. Therefore, first identify what information companies and community need, respectively, then decide which type of media to use for dissemination. There are various international best practices and fresh ideas. Likely, we need to batch data and disseminate in a visual form so that people can clearly understand.

Selenge: Our recommendations will also include a plan, which consist of 5 sections including mission, communication goal, target groups, dissemination means and financing.

N.Algaa: After conclusions and recommendations are made or you need more assistance like a capacity building project, you are able to contact us again.

Selenge: We are thinking of providing considerable assistance on information dissemination, particularly on working with media. Also trying to establish contact with some influential people.

A.Gombojav: At the previous meeting discussing about the survey, I proposed four ideas. Survey reveals that we are performing badly in terms of disseminating information to the public. Citizens are interested in information they need. We are doing great deal of work such as collecting data and producing reports. Therefore, you must propose actions and measures how to use the available data, who to deliver and how. As most media serve for interests of political groups, I propose to have our own channel that is independent and free for information dissemination. Based on survey findings and recommendations, we must accurately identify who need what information and disseminate it accordingly.

Enhjargal: We received valuable comments and ideas today and will incorporate them in our work. We are a company providing strategic consulting. 30% of our deliverables must be research part while remaining 70% must be proper conclusions. However, the survey was just done, so far it looks like 50% of our work belongs to surveying. From now on, we will work on strategy development. Next time, we will organize training and workshops. At these events, we will be seeking your comments and ideas, so please take active part.

N.Algaa: As we finished discussing the topic, let's talk now our decisions.

**RESOLVED to:** 1. Agree with survey findings by reflecting the comments from MSWG members.

MSWG meeting ended at 12.30.

Meeting minutes reviewed by:

N.Algaa  
CEO of Mongolian National Mining Association

Sh.Tsolmon  
Secretary of MSWG, Coordinator of EITI Secretariat

Minutes taken by:

A.Otgontungalag  
Finance Officer, EITI Secretariat