

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is made this 16th day of February 2006.

BETWEEN

THE NATIONAL STAKEHOLDERS WORKING GROUP (NSWG) OF THE NIGERIA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE herein referred to as **(NEITI)** on one part.

AND

CIVIL SOCIETY ORGANISATIONS IN NIGERIA herein referred to as **(C.S.O)** on the other part.

WHEREAS:-

On February 19, 2004, the Government of Nigeria demonstrated its commitment to the EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (EITI) principles by being the first African country to adopt the principles and launch a National process for its implementation.

The Government’s commitment to the EITI principles was further manifested by the creation of the National Stakeholders Working Group (NSWG) as the official body to co-ordinate the implementation of the principles in Nigeria.

The NSWG is currently made up of 28 members appointed by the President from the Executive and Legislative arms of Federal Government, State and Local Governments, the Extractive Industries and Civil Society. Of the 28 members of the NSWG, 3 are from Civil Society as follows: NGOs (1), Trade Unions (1), Media (1).

This MOU is therefore made in furtherance of efforts to advance the Civil Society’s participation in the NEITI process and systematize CSO working relationship with the NSWG.

WHEREFORE: In furtherance of the Vision of a Constructive Engagement.

The parties to this MOU share a common vision of engagement based on participation, transparency, accountability, inclusion, fairness and trust; Using commonly agreed benchmarks, signatories to this MOU will apply themselves to the most dynamic connotation of this vision. We affirm an engagement that is complimentary in purpose, constructively critical in method and transparent in motive.

Common Principles:

The common principles that underpin this engagement are as follows:

- I. That this MOU is based on the EITI principles.
- II. NSWG and Civil Society working together through meaningful consultation will enhance accountability and transparency in the Extractive Industries and in Government.
- III. Civil Society Groups are important stakeholders in the development and implementation of NEITI principles.
- IV. NSWG and Civil Society Groups have complimentary and distinct roles to play in the delivery of NEITI objectives.
- V. That sustaining an independent and vibrant network of Civil Society actors and Groups on NEITI is critical for the delivery of the NEITI vision.
- VI. Civil Society groups that are signatories to this MOU are free to develop their own independent programs in the promotion of transparency in the extractive industries.
- VII. Building capacity of CSO's to respond to NEITI process is a joint responsibility of the CSO's and NSWG.
- VIII. NSWG and CSO's acknowledge the need to promote the equality of opportunity for all people in the NEITI process regardless of culture disability, gender or religion.
- IX. In recognizing that the NSWG and CSO's are united by the common purpose of entrenching transparency in the Extractive sector, any issue of disagreement will be mutually resolved.

WHEREBY THE NSWG AGREES AS FOLLOWS;

TO:

- I. Recognize and support the independence of CS groups in the NEITI process to design their own programs, in line with the NEITI Transparency policies
- II. Support the implementation of the Action plan for the capacity building of CSO's as developed by the CSO- Action Plan Committee on the NEITI process.

- III. Work with the NEITI Steering Committee to develop guiding rules for providing capacity building support to CSO's.
- IV. Establish a Civil Society programming portfolio in the NSWG Secretariat. The officer in charge of this portfolio will be nominated by the Civil Society Steering Committee and ratified by the NSWG.
- V. Organize quarterly interactive forum with CSO coalition to share information, develop new agenda and evaluate ongoing processes.

THE NSWG FURTHER AGREES TO:

- I. In drawing up the guidelines for hiring auditors and establishing ground rules for audit operations, the NSWG will consult with CSO's and other stakeholders.
- II. Timely disclosure of information on NEITI process.
- III. Involve CSO's in the continuous redefinition and improvement of the NEITI platform as a tool for reforming Nigeria's oil and gas sectors.
- IV. Support the work of the NEITI Steering Committee as one of several mechanisms for monitoring, evaluating and validating EITI Country implementation in Nigeria.

THE CSOs ON ITS PART AGREES TO:

- I. Meet Representatives of CS groups on the NSWG-NEITI platform to ensure proper consultation with members of those groups.
- II. Ensure proper feedback to their groups on meetings and discussions on NEITI platform. Every meeting or discussion must be reported back to the wider coalition not later than three days after such a meeting.
- III. Ensure that capacity development support for the Civil Society sector under this engagement is appropriately targeted for efficient delivery of NEITI objectives.
- IV. Support the work of the NEITI Steering Committee as one of several mechanisms for monitoring, evaluating and validating EITI Country implementation in Nigeria.

THE PARTIES FURTHER AGREED THAT:

- I. Disagreements arising out of this engagement shall be tabled at the NSWG/ CSO interactive forum for resolution.

- II. This MOU becomes effective the day it is signed by all parties to it. Any party wishing to withdraw from the MOU shall notify all other parties in writing stating the reason for withdrawal.

THIS MOU IS MADE THIS 16TH DAY OF February 2006

SIGNED BY:

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CHAIRPERSON NSWG/ NEITI

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