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**MEMORANDUM OF UNDERSTANDING**

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**BETWEEN**



**THE NIGERIA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (NEITI)**

**AND**

**COMPANIES FORUM OF THE EXTRACTIVE INDUSTRIES COMPANIES (FORUM)**

dated this \_\_\_\_\_ day of \_\_\_\_\_ 201

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This **MEMORANDUM OF UNDERSTANDING** (this “MoU”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 201

**BETWEEN**

**THE NIGERIA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE**, a body established under and pursuant to the Nigeria Extractive Industries Transparency Initiative Act of 2007 (the “NEITI Act”), and having perpetual succession with a common seal (hereinafter referred to as “NEITI” which expression shall where the context so admits, include its successors-in-title or assigns) of the one part,

**AND**

**THE EXTRACTIVE INDUSTRIES COMPANIES** represented by the the trade associations listed in the Schedule hereto (hereinafter referred to as “COMPANIES” which expression shall where the context so admits, include their successors-in-title or assigns) of the other part.

NEITI and the COMPANIES are hereinafter collectively referred to as “Parties” or individually as a “Party”.

**RECITALS:**

- A. At the World Summit on Sustainable Development in 2002, Nigeria amongst other participating countries, companies and civil society organisations, formulated the Extractive Industries Transparency Initiative (“EITI”) principles to promote open and accountable management of natural resources in resource-rich countries, and developed the EITI Standards to provide the framework for implementation of the EITI by participating countries.
- B. The Government of Nigeria adopted the EITI principles in 2004; and by section 1 of the NEITI Act, established the Nigerian Extractive Industries Transparency Initiative (“NEITI”) in 2007 as the national body responsible for implementing the EITI in Nigeria.
- C. The EITI requires, amongst other things, that all implementing countries ensure that the Government, the companies and the civil society shall engage fully and effectively in the EITI process for the seamless implementation of the EITI process and the full realisation of its objectives.
- D. NEITI, in furtherance of the EITI Standard and its objectives and powers under sections 2 and 3(i) of the Act, to promote and or undertake any activity related to its functions and which in its opinion is calculated to help achieve its overall objectives, desires to establish a forum for the regular and effective interaction of NEITI and the extractive industries companies in Nigeria, for the improvement of the implementation of EITI by providing the platform for the extractive industries companies and the NEITI to engage in the implementation of the EITI process in Nigeria.
- E. Each of the COMPANIES belongs to one of the trade associations listed in the Schedule hereto and each trade association (ASSOCIATION/S) has been authorised by its members to execute this MoU on their behalf.

- F. The Parties now desire to execute this MoU to form the basis of their interaction and set out the terms and conditions of their dealings in the forum, i.e. the NEITI-COMPANIES Forum (hereinafter referred to as the “FORUM”).

In consideration of the above premises and the mutual obligations of the Parties as set out hereunder, it is hereby agreed as follows:

**1. Purpose of the MoU**

The MoU is intended to:

- (a) provide the basis for the establishment of the FORUM and interaction between NEITI and the COMPANIES in the implementation of the EITI process in Nigeria;
- (b) constitute the FORUM as a platform for the COMPANIES to strengthen the participation and interaction\_ in implementing the EITI process in Nigeria;
- (c) secure the commitment of the COMPANIES in rendering all necessary support to NEITI in its efforts to meet the EITI Standard; and
- (d) enable the Parties to do all such things and take all relevant steps as are required to implement the EITI in Nigeria.

**2. The Structure of the FORUM**

**2.1. Secretariat**

For administrative purposes the Secretariat of the FORUM (the “Secretariat”) shall be provided by the NEITI through a desk officer assigned to deal with the activities of the FORUM.

**2.2. Officers**

2.2.1 The officers of the FORUM shall consist of the Chairperson, Vice-Chairperson, and the Secretary who shall be elected every 2 (two) years at a general meeting of the FORUM.

2.2.2 The executive committee of the FORUM shall consist of the Chairperson, the Vice-Chairperson, the Secretary, the Assistant Secretary from the Oil Producers Trader Section (OPTS) of the Lagos Chamber of Commerce, the representative from the Independent Petroleum Producers Group (IPPG), the representative from Miners Association and the representative from Nigeria Association of Indigenous Petroleum Explorers and Producers (NAIPEC).

2.2.3 The executive committee members except the officers of the FORUM who are to be elected in accordance with Article 2.2.1, shall be duly nominated by their trade associations for appointment to the executive committee.

**2.3. Meetings**

2.3.1 To improve interaction amongst members, the FORUM shall meet at least four (4) times in a year to review the implementation of the EITI process in Nigeria. Without prejudice to the provisions of the NEITI Act, 2 (two) of the meetings shall be called for the purpose of agreeing the framework, template and the timing for the rendering of returns by the COMPANIES to NEITI, while the other 2 (two) meetings shall be called for the purpose of reviewing the returns rendered

by the COMPANIES to NEITI and addressing any issues that may arise from the said returns. The meetings may at any time discuss ways to further improve the execution of the EITI process in Nigeria.

2.3.2 Meetings of the FORUM shall be convened by Chairperson (or the Vice-Chairperson in the absence of the Chairperson) in consultation with the Secretariat, upon giving 14 (fourteen) days' written notice to the COMPANIES.

2.3.3 The quorum for the meetings of the FORUM shall be 3 (three) associations and 20 (twenty) COMPANIES.

### **3. Obligations of the Parties**

#### **3.1. NEITI's obligations**

NEITI shall:

- (a) provide the Secretariat and render to the FORUM or any Committee of the FORUM all necessary assistance as may be required for the effective operation of the FORUM or such Committee;
- (b) recognise and respect the FORUM's right to appoint its own officials and representatives, bearing in mind the desirability of pluralistic and diverse representation;
- (c) ensure that the FORUM's process and proceedings are independent and free from any interference by the NEITI Secretariat;
- (d) ensure active involvement of the FORUM in re-evaluating existing strategies and designing new strategies for the implementation of the EITI;
- (e) ensure timely disclosure of information on its processes and action plans to the FORUM; and
- (f) take such actions as may from time to time be required in conjunction with the FORUM to implement EITI.

#### **3.2. COMPANIES' obligations**

The COMPANIES shall:

- (a) work with NEITI in its implementation of the EITI principles in Nigeria;
- (b) attend and participate actively at the meetings of the FORUM;
- (c) be actively involved in re-evaluating existing strategies and designing new strategies for the implementation of the EITI in Nigeria;
- (d) maintain a current work plan, fully aligned with the reporting and validation deadlines set by the NEITI; and
- (e) render all support and cooperation that NEITI may from time to time require in achieving its objectives.

**4. Indemnity**

NEITI hereby guarantees that no liability of any nature whatsoever, shall attach to the COMPANIES by reason of their participation in this MoU or in the FORUM and NEITI holds each of the COMPANIES harmless in this regard.

**5. Representations**

COMPANIES of each ASSOCIATION represents that the execution, delivery and performance of this MoU has been duly authorised by all requisite corporate action.

**6. Execution and Effective Date**

6.1. This MoU may be executed in counterparts and each such counterpart may be executed by NEITI and the ASSOCIATIONS as agreed in this MoU in separate counterparts, each of which counterpart when executed and delivered by a Party at the Secretariat shall constitute an original, but all of which shall together constitute one and the same instrument.

6.2. This MoU shall become effective on the date when it is executed by the NEITI and the authorised representatives of the ASSOCIATIONS. ("Effective Date").

**7. Acceding to this MoU**

7.1. Any extractive industries company, which is not member of an ASSOCIATION to this MoU as at the Effective Date, shall become a party to this MOU subsequently by signing a counterpart hereof and delivering same to the Secretariat PROVIDED however that the company is within the scope of the NEITI audits and the EITI process.

**8. Process for review of the MOU**

8.1. The MOU may be amended by written agreement signed by each of the parties hereto


SCHEDULE  
List of Trade Associations

1. Oil Producers Trade Section ("OPTS") (representing oil exploration and production companies)
2. Independent Petroleum Producers Group ("IPPG") (representing the independent oil exploration and production companies).
3. Miners Association of Nigeria ("MAN") (representing companies engaged in the mining of solid minerals)

IN WITNESS WHEREOF each Party has caused this MoU to be executed by its duly authorised officer and or representative on the day and year first above written.

SIGNED for the NIGERIA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE by:

Name: WAZIRI ADI

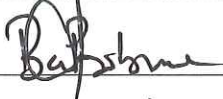
Signature: 

Title: EXECUTIVE SECRETARY

Date: \_\_\_\_\_

In the presence of:

Name: PETER B. OGBORINE

Signature: 

Date: 04/07/18

SIGNED by the OIL PRODUCERS TRADE SECTION on behalf of its members:

BUNMI TOYOBO

Name of authorised representative

EXECUTIVE DIRECTOR

Title of authorised representative



Signature of authorised representative

04-07-2018

Date

In the presence of:

Name: SUNDAY SALEH

Signature: 

Date: 04-07-2018

**SIGNED** by the **INDEPENDENT PETROLEUM PRODUCERS GROUP (IPPG)** on behalf of its members:

ADEMOLA A. ADEYEMI-BERO

Name of authorised representative

CHAIRMAN

Title of authorised representative




Signature of authorised representative

04 - 07 - 2018

Date

In the presence of:

Name: WANJOKU KELECHI

Signature: 

Date: 04 - 07 - 2018

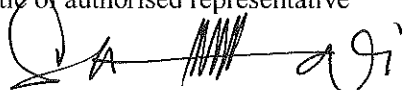
**SIGNED** by the **MINERS' ASSOCIATION OF NIGERIA** on behalf of its members:

AKH Sani Shehu

Name of authorised representative

President

Title of authorised representative



Signature of authorised representative

04 - 07 - 2018

Date

In the presence of:

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_