



PNG EITI – MSG – Company Constituent Group

STANDARD PROCEDURE FOR SELECTION AND NOMINATION OF COMPANY CONSTITUENT GROUP TO PNG EITI MSG

1. PURPOSE

This Standard Procedure intends to help establish a formal process for the selection and nomination of member companies to represent the Company Constituent Group in the Papua New Guinea Extractive Industries Transparency Initiative (PNG EITI), Multi-Stakeholder Group (MSG).

It further clarifies that each nominated company retains the authority to appoint its own MSG representatives and alternates, in accordance with EITI principles.

This procedure replaces the current ad-hoc approach and ensures compliance with:

- EITI Standard (including Validation requirements)
- 2019 PNG EITI National Policy
- 2013 Memorandum of Understanding (MoU)

2. POLICY OBJECTIVE

This procedure supports PNG CORE's mission by:

- Ensuring transparent and structured representation of the extractive industry
- Strengthening industry coordination within the Company Constituent Group of PNG EITI
- Aligning with EITI stakeholder autonomy requirements
- Supporting EITI Standards and Validation compliance

3. SCOPE

This procedure applies to:

- Selection and nomination of **companies** within PNG CORE approved procedure to the PNG EITI MSG
- Coordination between PNG CORE and nominated companies
- Communication and reporting obligations of the Company Constituent Group

4. GUIDING PRINCIPLES

In line with the 2019 EITI National Policy, the following principles apply:

4.1. Stakeholder Autonomy

- Each stakeholder group (i.e., Company Constituency through PNG CORE Council) has the authority to nominate or select company membership at the MSG.
- Each nominated company independently selects its MSG representative(s) and alternates.

4.2. Transparency

- The company selection process by PNG CORE must be documented and traceable.

4.3. Competence & Seniority

- Companies must nominate **senior representatives** with decision-making authority.

4.4. Accountability

- Representatives must report back to both:
 - Their respective companies, and
 - The broader PNG CORE membership (through agreed mechanisms)

4.5. Inclusiveness

- Selection should reflect the diversity of the extractive industry (mining and petroleum).

5. COMPOSITION REQUIREMENTS

In accordance with the 2013 MoU:

- PNG CORE coordinates the Company Constituent Group
- Company Constituent Group comprises 7 members
- Each nominated company may:
 - Appoint one (1) primary representative
 - Appoint up to two (2) alternates

6. ELIGIBILITY CRITERIA FOR COMPANY NOMINATION

6.1. Institutional Criteria

Nominated companies must:

- Be **financial members of PNG CORE**
- Be actively engaged in:
 - Mining, Petroleum, or extractive-related operations in PNG

6.2. Representation Considerations

PNG CORE shall consider:

- Balance between **mining and petroleum sectors**
- Balance between companies in operation and exploration
- Size and strategic relevance of operations
- Commitment to transparency and EITI principles

7. SELECTION AND NOMINATION PROCESS

7.1. Call for Expressions of Interest (EOI)

- PNG CORE Secretariat issues a **call for expressions of interest** to member companies
- Notice period: **Minimum 14 days**
- Submissions must include:
 - Company expression of interest
 - Confirmation of commitment to participate in MSG processes

7.2. Evaluation of Companies

- Conducted by the **PNG CORE Council or designated Committee**
- Assessment criteria:
 - Sector representation (mining/petroleum balance)
 - Level of engagement in industry governance
 - Capacity to actively participate in MSG activities

7.3. Selection and Endorsement

- Selected companies are endorsed by the **PNG CORE Council**
- Decision-making:
 - By consensus, or
 - Majority vote (if required)

7.4. Formal Nomination to PNG EITI

- PNG CORE formally submits the **list of nominated companies** to the PNG EITI Secretariat and MSG Chair.

8. APPOINTMENT OF COMPANY REPRESENTATIVES

- Each nominated company shall:
 - **Independently select its MSG representative(s) and alternates**
 - Ensure representatives are:
 - Senior-level personnel
 - Authorized to make decisions on behalf of the company
 - Gender – inclusive considerations
- The company shall formally communicate its appointed:
 - Primary representative
 - Alternate(s)

To:

- PNG EITI MSG Chair
- **Copied to:**
- PNG CORE Secretariat

9. TENURE

- Company representation term: 3 years (aligned with EITI cycles where applicable)
- Companies may be **re-nominated** subject to PNG CORE Council approval

10. ROLES AND RESPONSIBILITIES

10.1. Nominated Companies

- Appoint qualified representatives and alternates
- Ensure consistent participation in MSG activities
- Provide internal oversight and guidance to representatives

10.2. MSG Representatives (Company-Appointed)

- Attend and participate in MSG meetings
- Represent company and industry perspectives
- Provide feedback to:
 - Their company, and
 - PNG CORE (as agreed)

10.3. PNG CORE Secretariat

- Coordinate company selection process
- Maintain records of nominations and communications
- Facilitate coordination across the Company Constituent Group

11. REPORTING AND FEEDBACK MECHANISM

In line with **Policy Objective 2(5)**:

- Company representatives shall:
 - Report back to their respective companies
 - Share relevant updates with PNG CORE where appropriate
- PNG CORE shall:
 - Facilitate industry-wide feedback mechanisms
 - Consolidate key issues from the Company Constituent Group

12. VACANCIES AND REPLACEMENT

A company's position may be reviewed if:

- The company withdraws
- Becomes inactive in PNG CORE
- Fails to participate in MSG processes

Replacement Process:

- PNG CORE Council may:
 - Appoint an interim company, or
 - Initiate a new selection process within **30 days**

13. DOCUMENTATION AND RECORD KEEPING

PNG CORE shall maintain:

- EOI submissions from companies
- Evaluation and selection records
- Council decisions and minutes
- Official nominations submitted to PNG EITI

14. REVIEW OF PROCEDURE

- This procedure shall be reviewed:
 - Every **2 years**, or
 - Prior to EITI Validation cycles
- Amendments require **PNG CORE Council approval**

15. EFFECTIVE DATE

This procedure becomes effective upon:

- Formal endorsement by the **PNG CORE Council**

16. APPROVAL

Approved by: PNG CORE Council

Date: 25th March 2026

Version: 1.0

Disclaimer: *This is an internal PNG CORE document developed with PNG CORE member companies involved in the PNG EITI MSG. It does not create legal obligations and is subject to PNG CORE's internal review and update processes.*