

## DRAFT

### World Bank Group Extractive Industries Advisory Group

**Background:** The Management Response to the Extractive Industries Review report proposed that the WBG establish a working level Advisory Group (“Group”) to help it identify and promote best practice in oil, gas and mining extractive industries (EI). The Advisory Group is expected to be a means whereby the WBG can discuss a broad range of key issues affecting the sector with stakeholders actively involved in the EI in different capacities, and who have an interest in seeing EI development contribute to sustainable development and poverty reduction in the countries in which it operates.

**Objectives:** The Advisory Group is intended to be a forum for getting better understanding of issues and perspectives relating to extractive industries, specifically sustainability issues. Hence the primary objective is to help inform the WBG, so that it can be more effective in addressing opportunities and concerns of stakeholders. Though it is not intended that the Group will oversee specific WBG investment decisions or directly determine policy or strategy, the ultimate impact will be to influence the WBG’s activities by way of keeping abreast with issues and perspectives.

The wide range of perspectives and experiences of the Group at a working level is also meant to foster an exchange of views, and could lead also to the group acting as a conduit for sharing of best practices among various EI stakeholders in particular areas. It is hoped that the WBG as well as the Advisory Group members, their organizations and their peers, will benefit in terms of their contribution to the sustainable development contribution of their EI activities as a result of their involvement.

**Composition:** The Advisory Group is expected to consist of no more than fifteen individuals with backgrounds in industry, civil society, and government. The Bank will aim to broadly balance these key groups with up to four representatives from each of these three categories:

- Government (including parliamentarians),
- Industry (including oil & gas, mining and finance),
- Civil society (including NGOs, and labor unions), and;
- Academia and finance.

The Group will seek to have a strong representation from those developing country regions where it is likely to be most active in EI. The Group will be convened by the Director, Oil, Gas, Mining and Chemicals Department of the WBG, and senior management and staff of the WBG are expected to participate in the meetings as required.

Group members are expected to contribute substantively to the meetings. The members should be experienced in a broad range of EI issues, and be actively involved in

addressing those issues as they relate to sustainable development. The term of membership is expected to be about two to three years.

**Process and Agenda:** Meetings will run for one full day and will initially take place once a year, subject to the views of the Group. Meetings will be organized by WBG staff in Washington or elsewhere likely to be practical for members.

Agendas and background papers will be provided by the WBG (or any other party as determined by the Group) for informal discussions with members. Members may also submit papers or proposals for discussion at meetings. The Group can focus on a particular issue (e.g. environmental legacies), or a few broad issues of particular interest to the WBG and the Group (e.g. governance, transparency, sustainable community development, and environmental issues). Record notes of meetings will be produced and circulated following meetings. Advisory Group membership will not be remunerated, but the WBG may cover direct expenses as needed for members from organizations not able to cover such costs.

**Timings:** The WBG will have informal discussions with stakeholders and aim to invite potential members for a first meeting no later than the first half of calendar year 2005.

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