



FORMATION OF THE EXTRACTIVES POLICY WORKING GROUP (EPWG)

CONCEPT NOTE

Introduction

The extractives sector in Kenya has made tremendous progress in the exploration and production level, thereby attracting a lot of local, regional and international attention. The success of this sector however rests on a robust policy and legal framework that governs the operations in the sector. The Kenyan Constitution 2010 places a strong emphasis on public participation in the decision making processes. Despite this, the policy and law making process in Kenya has been characterized by lack of robust involvement, consultation and multiple submissions which have weakened the entire process. This calls for a more coordinated and inclusive process that brings together diverse stakeholders in the sector to achieve credibility.

The Extractives Policy Working Group (EPWG)

In light of the foregoing, the Extractives Baraza (EB), which is based at Strathmore University, in partnership with Oxfam International and the Kenya Civil Society Platform on Oil and Gas (KCSPOG) have established the Extractives Policy Working Group (EPWG). The purpose of the group will be to address key policy issues on extractives especially oil and gas so as to advance mutual common understanding of different positions, interests etc. among diverse stakeholders, break down barriers of mistrust and secrecy and contribute towards policy formation. The creation of the EPWG has been informed by the current policy environment in Kenya which lacks a leading entity that convenes or brings together diverse stakeholders to deliberate on different policy issues and obtain consensus.

Objectives of the Policy Working Group

It is anticipated that EPWG will:

- 1. Shape and influence policy through an organized and recognized organ that consolidates diverse stakeholder views
- 2. Incentivize consensus and clarity on key policy issues in the sector that need to be addressed and strengthened to achieve good governance in the oil and gas sector in Kenya.

Proposed Sessions and Modalities

The EPWG will be engaging stakeholders from the highest policy (national) levels to grassroots efforts in counties through in-person workshops, forums and online means on issues critical to sound development of the sector (i.e. revenues, community consultation, local content and environment).

Key Mechanism: Dialogue and Scenario Building Forums to be held each quarter on the following key topics:

- 1. Revenue Sharing
- 2. Local Content and Infrastructure
- 3. Environment, Health and Safety

The ultimate aim of the scenario building forums will be to:

- 1. **Foresee and influence change:** The scenarios will help stakeholders identify possible future situations and help them to be prepared for these situations. Thus stakeholders will be able to envision how the different situations play out and the available opportunities or different strategies that can be sued to address each situation robustly
- 2. **Help think about a number of possible alternatives:** The scenario workshops will help in switching mindsets from only one possible future approach to solving problems towards thinking about a number of possible alternatives. It is anticipated that by changing the mindsets of the stakeholders there will be reception to new ways of addressing the issues that are currently and may affect the sector in the future.
- 3. Improve strategy development by making stakeholders more aware of risks and constraints: the scenarios workshops will help stakeholders both in government, private sector and civil society to objectively plan for and strengthen their strategies to deal with outcome of different actions thereby reduce risks and constrains.
- 4. **Help develop a common framework and Understanding:** the workshops could help reach consensus on a common approach/framework to handling complex situations by establishing key actors to respond to those situations in a coordinated manner.

Outputs

- 1. Forum Report;
- 2. Policy Brief;
- 3. Opinion Article (based on availability of funds); and
- 4. Others as may be decided from time to time

Composition of the Policy Working Group

The success of the EPWG will be based on the participation of the key extractives sector stakeholders especially the government, companies, CSOs and academic representatives.

Chatham House rules will govern the hosting and running of the policy working group in order to build confidence in the EPWG.

For purposes of ensuring sustainability and better functioning, the EPWG will be meeting every quarter to appraise on key policy issues of concern and status of policy space in the sector.

Convening Partners

- 1. Extractives Baraza, Strathmore University
- 2. Oxfam International/Kenya Civil Society Platform on Oil and Gas (KCSPOG)

Budgetary Costs

The conveners of the EPWG, i.e. the EB, Oxfam International and KCSPOG, will be responsible for costs related to the hosting of the working group.

For more information on Policy Working Group

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