

**MEMORANDUM OF UNDERSTANDING SETTING THE RULES AND
PROCEDURES FOR THE APPOINTMENT AND REPLACEMENT OF PRIVATE
COMPANIES, MEMBERS OF THE HYDROCARBON SECTOR SUB-COLLEGE
WITHIN THE STEERING AND MONITORING COMMITTEE FOR THE
IMPLEMENTATION OF THE INITIATIVE FOR TRANSPARENCY IN THE
EXTRACTIVE INDUSTRIES (EITI COMMITTEE) IN CAMEROON**

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Preamble

Mindful of the fact that the Extractive Industries Transparency Initiative (EITI) is a mechanism aimed at strengthening, in countries with hydrocarbon and mining resources, good governance of revenues from their extraction;

Mindful of the fact that Cameroon has adhered to the EITI since March 2005 and therefore committed to the implementation of the EITI Standards comprising the three (03) main components which are: Stakeholder Engagement, Transparency and Outcomes and impact;

Mindful of the fact that Cameroon underwent the Validation of the International Secretariat of the EITI, which began on 1 October 2023, and that Cameroon obtained a fairly low overall score (53 points) in the implementation of the EITI 2019 Standard following the evaluation of the three (03) components which are: Stakeholder Engagement, Transparency and Outcomes and impact;

Mindful of the fact that the score obtained resulted in a suspension for having partially complied with Requirement 1.3. The said requirement relates to civil society engagement, in accordance with article 5 of section 4 of the EITI 2019 Standards, and that the administration committee established that Cameroon has until the next validation, which will start on 1 April 2027, to carry out corrective actions;

Mindful of the fact that like other countries implementing the EITI, from 2025, Cameroon will be assessed on the basis of the EITI 2023 Standard, more continuous, adopted at the General Assembly of EITI Members on June 12, 2023;

Mindful of the fact that, Cameroon has until the next validation to align with the implementation of the 2019 and 2023 EITI Standards;

Mindful of the fact that, Cameroon has started to implement some of these recommendations with the signing of Decree N° 2024/00165/PM of January 31, 2024 relating to the reorganisation and operation of the Steering and Monitoring Committee for the implementation of the Extractive Industries Transparency Initiative, otherwise known as "the EITI Committee."

- (1.) The said decree provides in particular in its article 4 paragraph 1-C that the private extractive sector, which constitutes an entire college of the EITI process, is represented within the EITI Committee by:
- Three (03) companies representing the hydrocarbon sector nominated by all the members of the sub-college, as part of an open, free and fair nomination procedure providing for rotation and provisions for gender balance consideration;
 - One (01) company representing the gas sub-sector;
 - One (01) company representing the hydrocarbon transport sub-sector;
 - Three (03) organizations or companies representing the industrial, artisanal and quarry mining sector, appointed by their entire sub-college, as part of an open, free

- and fair appointment procedure providing for rotation and provisions for taking gender into account;
- (2.) And in its article 4 paragraph 4, provides the procedures for appointment and replacement of members representing the college of private companies, as well as members representing the college of civil society organizations, which are set independently, in accordance with the relevant provisions of paragraph 1 above, by protocols governing the operation of each of these colleges. These Memoranda of Understanding must be transmitted to the Committee for information within a maximum period of fifteen (15) days following their adoption.

This being explained, it is decided and agreed as follows:

I. General Provisions

Article 1: Definitions

Within the provisions of this Memorandum of Understanding, the following definitions are agreed to:

- **EITI Committee or Multi-Party Group abbreviated "EITI Committee"**: multi-party body made up of representatives of administrations, local elected officials (mayors, Parliamentarians, Senators), extractive companies, and civil society organizations (associations, non-governmental organizations authorities), tasked with defining the EITI implementation policy in Cameroon and monitoring its execution.
- **Extractive Company**: company whose activity is the exploration and/or exploitation of mineral products present in the natural state in solid (coal and ores), liquid (oil) or gaseous (natural gas) forms.
- **Hydrocarbons**: liquid or gaseous components existing in the natural state otherwise referred to as crude oil or natural gas as the case may be, as well as all related products and substances extracted in association with said Hydrocarbons.
- **Exploitation Phase**: activities intended to extract Hydrocarbons for commercial purposes, including development, production, transportation, storage, and export of Hydrocarbons, as well as processing and export activities of natural gas including related activities, such as the abandonment of wells, deposits and oil or gas installations.
- **Exploration or Research Phase**: detailed prospecting activities, including Exploration drilling intended to discover commercially exploitable Hydrocarbon deposits, including the geological and geophysical studies relating thereto, as well as the activities of evaluation, delineation of a presumed commercial Hydrocarbon discovery and abandonment of Exploration wells.
- **Sub-College of companies in the Hydrocarbons Sector**: all companies whose activity is governed by the Petroleum Code and/or the Gas Code, holders or co-contractors of one or more Petroleum Contracts (authorisation or Research Permit or Exploration, Exploitation Authorization or Concession or License provided for by the Oil and Gas Codes). It is made up of companies exploring and exploiting liquid hydrocarbons, companies exploring and exploiting gaseous Hydrocarbons (Natural Gas), and companies in the Hydrocarbon transport sector.

Article 2: Purpose

The purpose of this Memorandum of Understanding is to establish the rules and procedures for the designation and replacement of the five (05) most representative companies in the Hydrocarbons sector, including one (01) representing the gas sub-sector, and one (01) representing the hydrocarbon transport sub-sector, to be part of the Members representing the private sector within the EITI Committee.

II. Organisation

Article 3: Eligibility Criteria

Only companies in the Hydrocarbons sector are eligible to join the Sub-College: companies meeting the following conditions:

- Belong to the private sector;
- Be the holder or co-holder of a valid Petroleum Contract, a Hydrocarbon Authorisation (for Prospection, exploration, or Exploitation), a Natural Gas transport or distribution Concession, or a processing, storage, import or export Hydrocarbons License.

Article 4: Composition of companies in the Hydrocarbons sector Sub-College

The Sub-College of companies in the Hydrocarbons sector is composed as follows:

Private operators in the Exploration Phase:

- ✓ Perenco Rio del Rey S.A.
- ✓ Addax Petroleum Cameroon Limited S.A.
- ✓ Gaz du Cameroun S.A.
- ✓ Tower Resources Cameroon S.A.
- ✓ Yan Chang Logone Development Company.

Private operators in the Exploitation Phase:

- ✓ Addax Petroleum Cameroon Company S.A.
- ✓ Addax Petroleum Cameroon Limited S.A.
- ✓ EurOil Limited
- ✓ Gaz du Cameroun S.A.
- ✓ Glencore Exploration Cameroon Limited
- ✓ Noble Energy Cameroon Limited
- ✓ Perenco Cameroon S.A.
- ✓ Perenco Rio del Rey S.A.
- ✓ New Age Cameroon Offshore Petroleum S.A.

Private operators in the Hydrocarbon transport sector:

- ✓ Cameroon Oil Transportation Company (COTCO)

This composition could be updated as necessary. However, any other company in the Hydrocarbons sector not mentioned above, meeting the criteria of article 3 above, is automatically part of the Sub-College of Companies in the Hydrocarbons sector. The arrival of a new member shall not give rise to the amendment of this Memorandum of Understanding.

However, the arrival of a new member must be notified to other members on the platform defined in article 11 below.

Likewise, the departure or withdrawal of a company previously designated as a member representing the Sub-College of the Hydrocarbons sector within the EITI Committee does not give rise to the amendment of this Memorandum of Understanding. However, this withdrawal should be notified to the other members and may require the convening of a new session for the purpose of its replacement.

III. Functioning

Article 5: Coordination Structure

For the purpose of coordination of its the activities, the Sub-College will be organised as follows:

- ✓ A Chairperson
- ✓ A Vice chairperson
- ✓ A Secretary
- ✓ A Vice-secretary
- ✓ An Adviser

The designation of these coordinators will be done by a vote by all the members of the Sub-College of companies in this sector and in accordance with the criteria agreed in this Memorandum of Understanding. The Cameroon EITI Committee President and Permanent Secretary will be informed and are not required to participate in the sessions nor take part in voting during the various sessions.

Article 6: Convocation to meetings

a. Deliberative Session

Upon convocation by one of the Members of the Sub-College of the Hydrocarbons sector designated in Article 4 above, or by the President of the EITI Committee, or by the Minister in charge of Hydrocarbons, the Sub-College meets in a deliberative session, to:

- ✓ Amend or repeal this Memorandum of Understanding,
- ✓ Amend and/or decide on the criteria(s) for designating and replacing the five (05) most representative companies to be part of the members representing the private sector within the EITI Committee,
- ✓ Proceed to replace one or more of them, in accordance with the criteria agreed in this Memorandum of Understanding.

The notices are sent by the diligent party to companies in the Hydrocarbons sector, by correspondence, email, fax or by any other means leaving a written record, no later than 10 days before the date of the meeting. They indicate the Agenda, date, place and time of the session.

The sessions of the Sub-College of the Hydrocarbons sector are chaired until the end, by the oldest member present at the start of the session when the quorum is reached. The chairman of the session appoints a rapporteur of the session who is responsible for preparing the report of the session, the attendance sheet, the Minutes and or any other document approved by the parties.

b. Consultations

The members of the Sub-College are consulted by correspondence, email, fax, or by any other means with a written record, in order to decide quickly on any subject relating to the participation of the Sub-College in the implementation of the EITI, subject to their appreciation.

Any Member of the Sub-College can initiate this consultation.

Article 7: Procedures for designating the Five (05) representatives on the EITI Committee

7.1. The Five (05) representative companies in the Hydrocarbons sector, to be part of the EITI Committee, must meet one of the following criteria:

a. The three (03) companies in the Hydrocarbons sector should:

- Belong to the Sub-College of the Hydrocarbon sector under the conditions provided for in article 3 above;
- Be in the Exploration or Exploitation phase;
- Be in the operating phase, having crude oil production, or an ongoing development plan;
- Be in the Exploration phase, having a Hydrocarbon research or Exploration Authorization, the remaining validity period which is at least one (01) year on the date of their designation as a Member of the Committee;

b. One (01) company in the gas sub-sector should:

- Have a hydrocarbon exploitation authorization, or a gas concession, or a gas license;
- Have natural gas production, or an ongoing development plan;

c. One (01) company in the transportation sub-sector should:

- Have an authorization to transport hydrocarbons, or a transport concession, or a license to transport or store hydrocarbons under the terms of the Petroleum Code and/or the Gas Code of Cameroon;
- Have Hydrocarbons transport infrastructure (gas or oil pipeline) or a development plan currently being implemented.

7.2. The Hydrocarbons Sub-College should encourage diversity when several companies belong to the same group of companies. For this reason, the same company operating in two different sub-sectors can only be designated as representative in one sub-sector.

7.3. Each of the companies designated to represent the Hydrocarbons sector within the EITI Committee, must notify the Minister in charge of Hydrocarbons and the President of the EITI Committee, within ten (10) days following its designation, the name(s), first name(s), function(s), contact details such as telephone number(s) and the email address of the person(s) responsible for representing it within said EITI Committee.

Article 8: Quorum and deliberations

The Sub-College of Companies in the Hydrocarbon Sector can only validly deliberate if at least half (1/2) of its members are present.

The deliberations of the Sub-College are adopted by consensus or, failing that, by the majority of its members present.

Article 9: Mandate's duration

The mandate of the Five (05) companies designated to sit on the EITI Committee is three (03) years and may be renewable once. Failing the convening of a deliberative session for the renewal on the expiry date, the renewal is deemed tacit.

Article 10: Transmission of designation documents

At the end of the session of designation or replacement of the Five (05) companies representative of the Hydrocarbons sector to sit on the EITI Committee, a Minute is drawn up immediately, and signed by all the members present. After signing, this Minute is sent by mail or any other means with a written record, by the Chairman of the meeting, accompanied by the attendance sheet, to the Chairman of the EITI Committee and to the Ministry in charge of hydrocarbons.

Article 11: Communication

A platform for exchanges, communication and consultation designated "EITI - OIL & GAS" is set-up between the entire Sub-College and the Five (05) representatives designated to sit at the EITI Committee, to report on the activities of the EITI Committee.

Communication in the Platform shall be through physical mails (letters), electronic mails (emails), Conference Calls, meetings, social media groups (WhatsApp, LinkedIn, etc.) or any other communication tool.

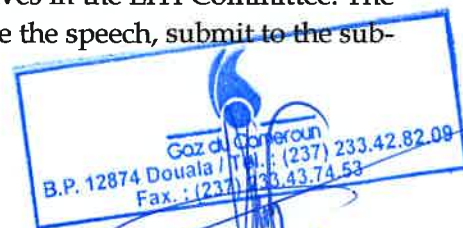
Communication in the platform shall be led by the coordination team defined in article 5 here above.

Whenever a representation of the Sub-College is required to address an event, a spokesperson shall be designated by the majority of the five (05) representatives in the EITI Committee. The designated spokesperson will have the responsibility to prepare the speech, submit to the sub-college for review and approval.

Done in Douala, the 3rd April 2024

Read and approve
[Signature]
JESSICA LENGHA ABEGA

[Signature]
Jules P. Wack Mballa
Public & Governmental Affairs Manager
COTCO



Luc B. KANA

ET EOAC

[Signature]






Session of the Sub-College of Companies in the Hydrocarbon Sector





Attendance sheet

Date: 3rd April 2024

Venue: PERENCO CAMEROON S.A. - Head Office - Douala

Purpose of the session: Validation of the draft Memorandum of Understanding setting out the rules and procedures for designating and replacing the Five (05) companies, representatives of the hydrocarbon sector to the EITI committee.

N°	Name and address of the company	Name	Position	Telephone/Fax/Email	Signature
1	Addax Petroleum Cameroon Company S.A. Zone Portuaire Youpwe, BP 2273 Bonanjo-Douala	Mme Jessica LENGHA ABEGA	Deputy General Manager	Jessica.Lengha@cm.addaxpetroleum.com Tel : +237 691 147 829	 JESSICA L. ABEGA
2	Addax Petroleum Cameroon Limited S.A. Zone Portuaire Youpwe, BP 4023 Bonanjo-Douala	Mme Jessica LENGHA ABEGA	Deputy General Manager	Jessica.Lengha@cm.addaxpetroleum.com Tel : +237 691 147 829	 JESSICA L. ABEGA
3	EurOil Limited #40 Impasse 6250/2349, Laverie Mbia, Oyom-Abang, Yaounde VII, P.O. Box 15482 Yaounde / P.O. BOX 93 Douala - Cameroon,	Thompson NAMANGA MOLONGE	Company Representative/Chief Administration Officer	thompson.molonge@bowleven.com Tel : +237 6770 808 84	 JESSICA L. ABEGA
4	Gaz du Cameroun S.A., Rue Vasanitex, Bonapriso, BP 12874, Douala - Cameroon,	Luc BIYIHA BI KANA	Finance Operations Supervisor	Luc.Biyiha@gazducameroun.com Tel : +237 6733 98 111	 Gaz du Cameroun B.P. 12874 Douala / Tel. : (237) 233.42.82.09 Fax. : (237) 233.43.74.53
5	Glencore Exploration Cameroon Limited #1239 Rue Toyota, Bonapriso, CSK Building, Suite 301, BP 4243 Douala - Cameroon	Mme Joan LIMUNGA NJOH-MOLULU,	Deputy General Manager	JoanLimunga.Njoh-Molulu@glencore.co.uk Tel : +237 676 111 639	 GLENCORE EXPLORATION CAMEROON LIMITED

N°	Name and address of the company	Name	Position	Telephone/Fax/Email	Signature
6	New Age Cameroon Offshore Petroleum SA, Immeuble du Phase, 2 ^{ème} étage, Rond-Point Clinique SOPPO, Bonapriso, BP 12 238, Douala				
7	Noble Energy Cameroon Limited, #93 Ntougou Golf II, BP 12532 Yaoundé	John Z. TOMICHI,	Vice-President /Country Manager	john.tomich@chevron.com Tel : +237 679 509 033	
8	Perenco Cameroon SA, Base Wouri, BP 1225 Douala - Cameroun	Eric TIEFENG	Business Advisor	etiefeng@cm.perenco.com Tel: +237 233 41 47 17 ; +237 695 305 987	 Eric TIEFENG Business Advisor PERENCO
9	Perenco Rio del Rey SA, Base Wouri, BP 2214 Douala	Eric TIEFENG	Business Advisor	etiefeng@cm.perenco.com Tel: +237 233 41 47 17; +237 695 305 987	 Eric TIEFENG Business Advisor PERENCO
10	Tower Resources Cameroon SA, #1239 Rue Toyota, Immeuble 626, 4 ^{ème} étage, Bonapriso - Douala - Cameroun,	MBOUOMBOUO Daïrou Honoré,	Country Manager	hmd@towerresources.co.uk Tel : +237 654 23 66 20	
11	Cameroon Oil Transportation Company (COTCO) #164 Rue Toyota - Bonapriso, PO Box 3738 Douala, Cameroun	Jules S. WACK MBALLA	Public & Government Affairs Manager	jules.s.wackmballa@etscotco.com Office Phone: 00-44-13729-41906	 Jules S. WACK MBALLA Public & Governmental Affairs Manager
12	Yan Chang Logone Development Company, BP 5476 Douala-Cameroun				