

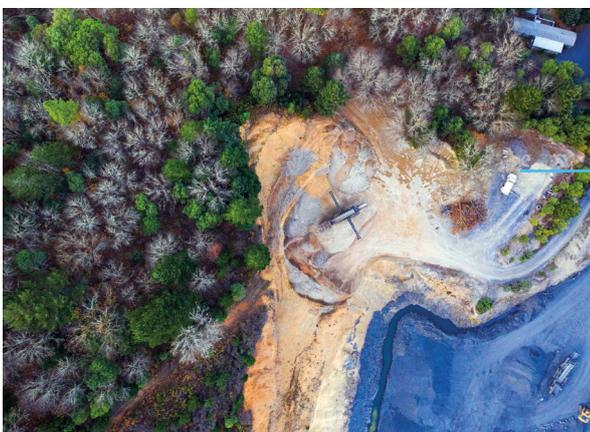
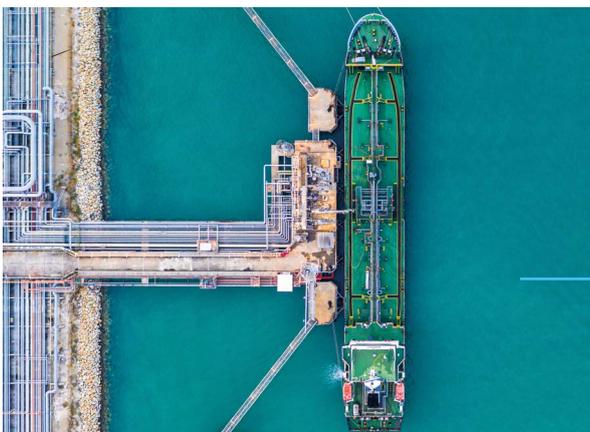


Extractive
Industries
Transparency
Initiative

Anniversary Report 2023

Twenty years of extractives transparency

eiti



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Message from the EITI Chair



“Since its inception in 2003, the EITI has played a crucial role in promoting responsible resource governance across the globe.”

As Chair of the EITI Board, I am pleased to present the *EITI Anniversary Report*, which commemorates the EITI's achievements in the 20 years since its establishment. This report is a testament to the EITI's continued commitment to transparency and accountability in the extractive sector, as well as the dedication of countless stakeholders across government, civil society, industry and the broader resource governance community.

Since its inception in 2003, the EITI has played a crucial role in promoting responsible resource governance across the globe. Through its rigorous reporting standard and emphasis on stakeholder engagement, the EITI has helped to build trust and promote dialogue among those involved in the extractive sector. Aligned with national priorities, data reported through the EITI is proving increasingly relevant to policymakers in EITI implementing countries.

This report showcases the progress made on improving extractives transparency and accountability over two decades. It also demonstrates the EITI's commitment to adapt and evolve over time to address emerging challenges. We have seen significant changes since the EITI was first established, such as increased attention to environmental and social impacts, a growing focus on energy transition, and the emergence of new technologies and investment trends affecting the extractive sector.

While there is much to celebrate, there also remains much work to be done. We must continue to adapt to the changing landscape of the extractive sector to ensure that our efforts remain relevant and effective. This means being proactive in identifying emerging issues, listening to the views of diverse stakeholders, and leveraging technology to drive greater transparency and accountability.

I would like to express my appreciation to all current EITI Office Holders, and to all those who have contributed to the EITI's success. The work undertaken by the EITI has been a collective endeavour, and we owe a debt of gratitude to all those who have supported its mission.

As we look to the future, it is important that the EITI continues to play a vital role in promoting responsible resource governance and contributing to sustainable development. The EITI's 20th anniversary is an important milestone which serves as a reminder of the progress we have made, the challenges we have overcome, and the work which remains ahead. Let us stay steadfast in our commitment to transparency, accountability and inclusive governance, and continue to work together towards a more just and equitable future for all.

Rt Hon. Helen Clark
EITI Board Chair

Message from the EITI Executive Director



“We will continue to be a unique platform for dialogue and consensus in an increasingly complex and divided world.”

Twenty years ago, the EITI was established with the goal of promoting transparency and accountability in the extractive sector. Today, I am proud to say that we have come a long way in achieving this goal.

Our global standard is now implemented in nearly 60 resource-rich countries across the globe. This is no small feat, and speaks to the dedication and perseverance of our implementing countries and multi-stakeholder groups, who have demonstrated a strong commitment to transparency and accountability in the extractive sector.

One of the unique characteristics of the EITI is that it promotes transparency across the entire upstream extractive sector value chain. From contracts to beneficial ownership transparency, revenues to commodity trading, state-owned enterprises to social and environmental aspects, it supports transparency across a range of topics that are critical to ensuring that natural resources are managed in a responsible and sustainable manner. Over the past 20 years, stakeholders have come together to deepen our work in all these areas, responding to emerging issues and challenges as they arise.

Another aspect that sets the EITI apart is our ability to bring different stakeholders around the table to find common ground. In some cases, the EITI platform has even given stakeholders a voice in an otherwise challenging environment for civil society engagement. Natural resource governance is a complex and sometimes contentious issue, but we believe that multi-stakeholder dialogue and collaboration are essential for achieving lasting solutions.

Thanks to this collaborative approach, the EITI has been able to respond to issues that matter most for natural resource governance. That is why we are increasingly working to leverage data and dialogue to identify corruption risks and promote sustainable development outcomes in the global transition to a low-carbon economy. We are also exploring new ways to engage with stakeholders and ensure that all voices are heard, especially those of women, Indigenous people and other marginalised groups.

Looking ahead, I am optimistic about the direction the EITI is headed. We will continue to be a unique platform for dialogue and consensus in an increasingly complex and divided world. For every country, company and organisation that joins the EITI community, our mission continues to gain traction and the potential for impact grows stronger.

I would like to thank all our partners and stakeholders for their continued support over the past 20 years. Together, we have accomplished a great deal in upholding the EITI's principles of transparency, accountability and multi-stakeholder dialogue in the extractive sector, and I am excited for what we will achieve in the future as we continue to advance these principles around the world.

Mark Robinson
EITI Executive Director

BECOMING A GLOBAL STANDARD

Through the collaboration of governments, companies and civil society, the EITI has evolved into a global standard that seeks to promote understanding of natural resource management; strengthen public and corporate governance and accountability; and provide the data to inform policymaking and multi-stakeholder dialogue in the extractive sector.



2013 EITI Global Conference
in Sydney, Australia.



The EITI's origins

Becoming a multi-stakeholder organisation

In the late 1990s, extractives governance increasingly became a matter of public interest, with growing research pointing to the link between the mismanagement of oil, gas and mining resources and increased poverty, conflict and corruption. Stakeholders identified transparency and public dialogue as a crucial starting point for remedying this “resource curse”, and citizens and civil society organisations began calling on companies to disclose their payments to governments.

A common vision of transparency

In response to campaigns by civil society organisations, the UK government recognised the potential to create an initiative based on the principle of mutual transparency between governments and companies, to shed light on their transactions related to oil, gas and mining activities. In June 2003, it convened a meeting in London of 140 representatives from governments, companies, international organisations, civil society groups and investors, who agreed that a reporting standard should be developed. This event marked the formation of the EITI as a multi-stakeholder organisation, and established its vision and mission through the creation of the **EITI Principles**.

EITI Principles

What is now known as the EITI evolved from the first statement of the EITI Principles agreed at the Lancaster House Conference in June 2003. These 12 principles are the cornerstone of the EITI and establish the founding beliefs and aims for the organisation.

Building momentum

In July 2005, the EITI established the International Advisory Group (IAG), a diverse group of stakeholders who provided recommendations on the future of the organisation. This led to the creation of the international EITI Board, which convened its inaugural meeting in New York in December 2006. The IAG also proposed to introduce an assessment mechanism called **Validation**, which aimed to guarantee comparability and provide recommendations

for the implementation of EITI requirements across countries. From the outset, multi-stakeholder governance involving governments, companies and civil society organisations was an integral part of this process.

By September 2006, more than 20 resource-rich countries—including Azerbaijan, Ghana, Nigeria, Norway and Peru—had committed to implementing the EITI. Azerbaijan and Nigeria had begun regularly reporting their extractive industry revenues and payments, while Gabon, Guinea and the Kyrgyz Republic had produced EITI Reports. Nigeria was also the first country to adopt national legislation requiring the implementation of the EITI in May 2007. By 2009, 30 countries were implementing the EITI, reporting a total of USD 200 billion in extractive sector revenues.

The UK's Department for International Development played an integral role in developing the reporting framework and institutional structure for the EITI. In 2007, the Government of Norway offered to host the new EITI International Secretariat in Oslo, which served to coordinate the management and implementation of the EITI.

Growing international support

In its early years, the EITI focused on publication of extractive payments by companies to governments, revenues received by governments from companies and their reconciliation. The initiative saw support from intergovernmental and multilateral organisations, and in 2004 the World Bank disbursed nearly USD 60 million in technical and financial assistance to EITI programmes around the world.

By 2013, the EITI had become a global movement, with various international institutions routinely citing their association with the EITI to reinforce their commitment to good governance. The first **EITI Standard** was adopted at the sixth EITI Global Conference in Sydney, Australia. The EITI's reporting requirements were further adopted in various laws and policies worldwide, including in the European Union, Liberia, Nigeria and the United States, as well as in the International Finance Corporation's standards for extractive projects. Today, nearly 60 countries implement the EITI Standard, which over the past two decades has become the global benchmark for transparency in oil, gas and mining.

“By setting a framework for concrete action, I firmly believe that the initiative can make a significant contribution to ensuring that the proceeds from mining and energy industries are used for development.”

**SIR TONY BLAIR,
FORMER PRIME MINISTER OF THE UNITED KINGDOM**

“Liberia is implementing the EITI because it [...] needs to attract responsible investors, who take into consideration the wellbeing of citizens living in places where they operate.”

**HON. ELLEN JOHNSON SIRLEAF,
FORMER PRESIDENT OF LIBERIA**

“Those who own the resources want to see how the wealth we have been trusted to take care of is handled. [...] My goal – our common goal – is an international norm for revenue transparency in the extractive industries.”

**HON. JONAS GAHR STØRE,
PRIME MINISTER OF NORWAY**



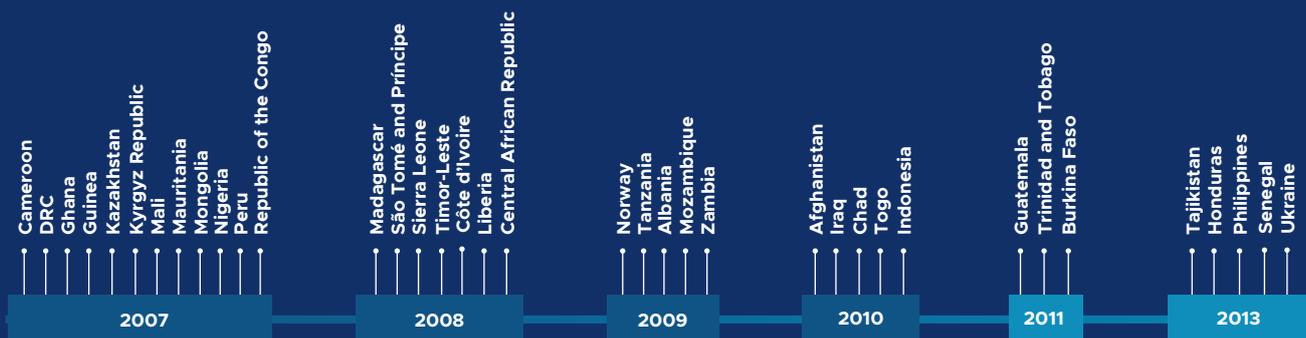
2013 EITI Global Conference
in Sydney, Australia.

Fostering country engagement

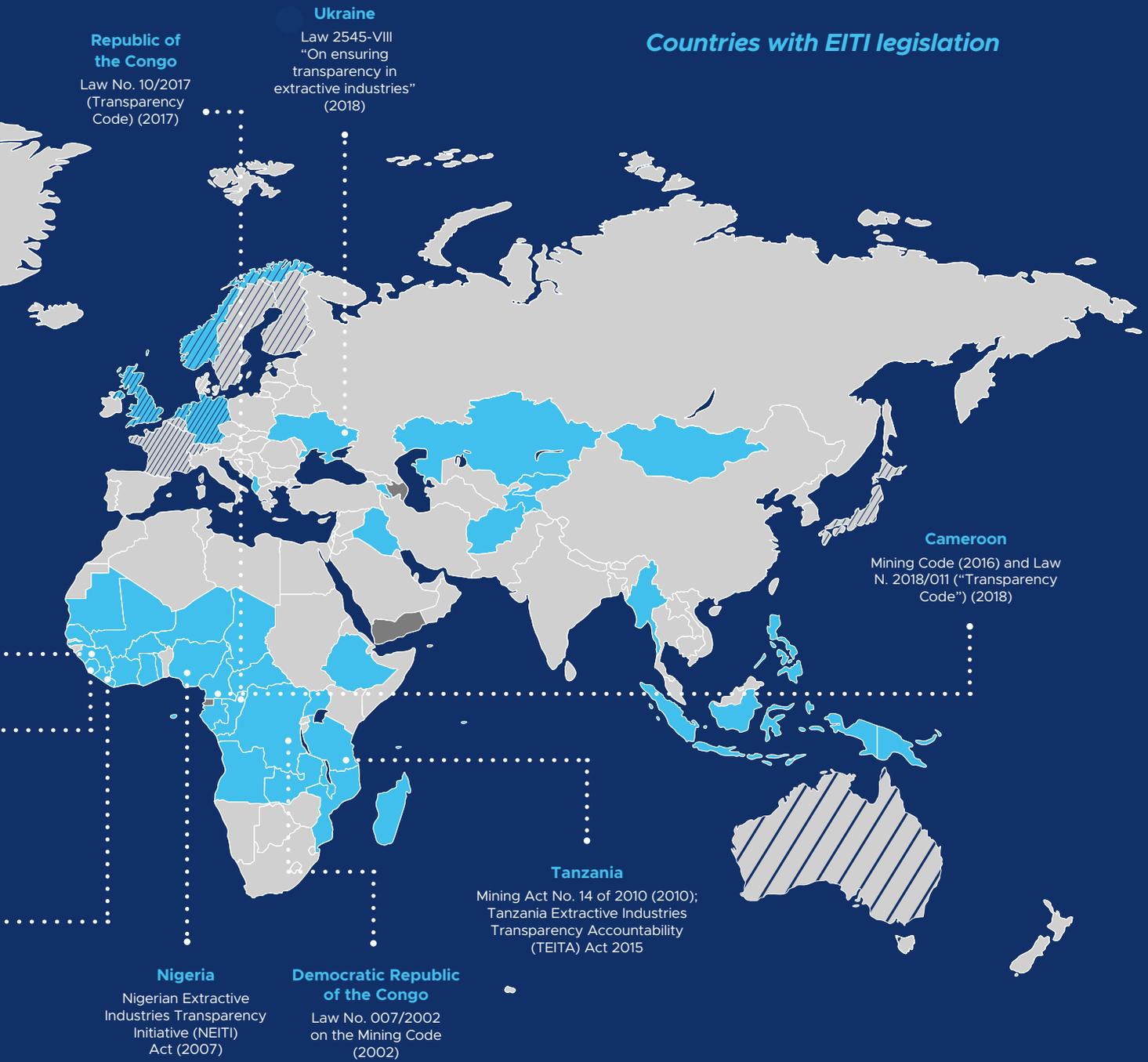
Global implementation of the EITI Standard

The EITI is an international, non-treaty bound organisation in which state and non-state actors work together, and governments play a critical role in leading the EITI process. In addition to driving the implementation of the EITI Standard, governments are also responsible for creating and implementing policies and regulations that promote transparency and accountability in the natural resource sector.

This includes developing legal and regulatory frameworks that require disclosures of extractive activities and payments, as well as incorporating the EITI into legal frameworks through legislation or executive decrees. Many countries now have a legal basis for EITI implementation, making transparency and accountability central to the way in which natural resources are managed.



Countries with EITI legislation



Safeguarding civic space

Giving civil society a seat at the table

The participation of civil society organisations is central to the EITI process. Today, around 500 representatives from civil society are members of the EITI Association or national multi-stakeholder groups. They play an important role in holding governments and companies accountable and provide essential support through advocacy, training, monitoring and research.

The origins of the EITI can be traced back to a campaign led by a civil society group, Global Witness, that called for greater transparency from governments and companies on how they manage their natural resource wealth. The first EITI Board meeting, held in New York in 2006, included representatives from Publish What You Pay (PWYP), Global Witness, the Natural Resource Governance Institute (NRGI) and Transparency International. Since then, civil society representatives have played a central role in the governance of the EITI, serving on the EITI Board and advocating for fresh requirements in the EITI Standard.

In addition to their role in governance at a global level, civil society organisations have also been closely involved in the implementation of the EITI at the national level. They have participated on national multi-stakeholder groups; contributed to the development of EITI Reports; conducted independent verification of company and government disclosures; and engaged in advocacy and outreach to promote greater transparency and accountability in the extractive industries.

Yet the free, independent and effective engagement of media and civil society actors continues to be a major challenge in some countries. In some cases, conflict and political instability have undermined the hard-earned gains that EITI implementation has helped to deliver. Through Validation, the EITI's quality assurance mechanism, the EITI Board assesses whether there is an enabling environment for civil society to engage in the EITI process, and stipulates if corrective actions must be taken to address any breaches to the **Protocol: Participation of civil society**.

Protocol: Participation of civil society

When the first EITI Standard was launched in 2013, a new section on civil society participation was introduced in response to feedback from civil society organisations, who felt that their role in the EITI process needed to be strengthened. This new protocol recognised that civil society participation is crucial to the success of the EITI, and included specific requirements and guidance to ensure that civil society can engage meaningfully, effectively and without fear of reprisal.

Ten years later, the civil society protocol continues to be the cornerstone of the EITI's commitment to ensuring the active and meaningful participation of civil society in natural resource governance. By providing a framework for civil society engagement, the protocol has helped to foster trust and collaboration between government, industry and civil society actors, and has contributed to more inclusive and sustainable resource governance in EITI member countries around the world.

“Where else but within the context of the EITI can companies, governments and – crucially – civil society come together to discuss equitable and responsible management of natural resources on an equal footing?”

ELISA PETER, FORMER EXECUTIVE DIRECTOR OF PUBLISH WHAT YOU PAY

Campaigning for government commitment

Civil society often plays a key role in campaigning for a country to join the EITI by raising awareness of the benefits of the EITI and advocating for its adoption at the national level. In addition to engaging with governments, parliamentarians and other stakeholders to adopt the EITI Standard, they also play a role in monitoring and assessing government commitments to implement the EITI and in ensuring accountability for implementing those commitments.

Uganda

In Uganda, which joined the EITI in 2020, civil society undertook advocacy efforts to ensure that the government followed up on its commitment to implement the EITI. A report on civil society's participation in Uganda's sign-up process documented how the constituency was organised, how it raised awareness on the benefits of EITI implementation, and how it nominated members to Uganda's multi-stakeholder group.

Malawi

In Malawi, civil society advocacy has led to the publication of oil, gas and mining contracts and to the government publicly stating its commitment to address allegations of corruption in the mining sector. Civil society organisations leveraged the multi-stakeholder group to discuss the benefits of contract transparency with government and company representatives and to call on the government to follow up on its commitments.

Using data and engaging citizens

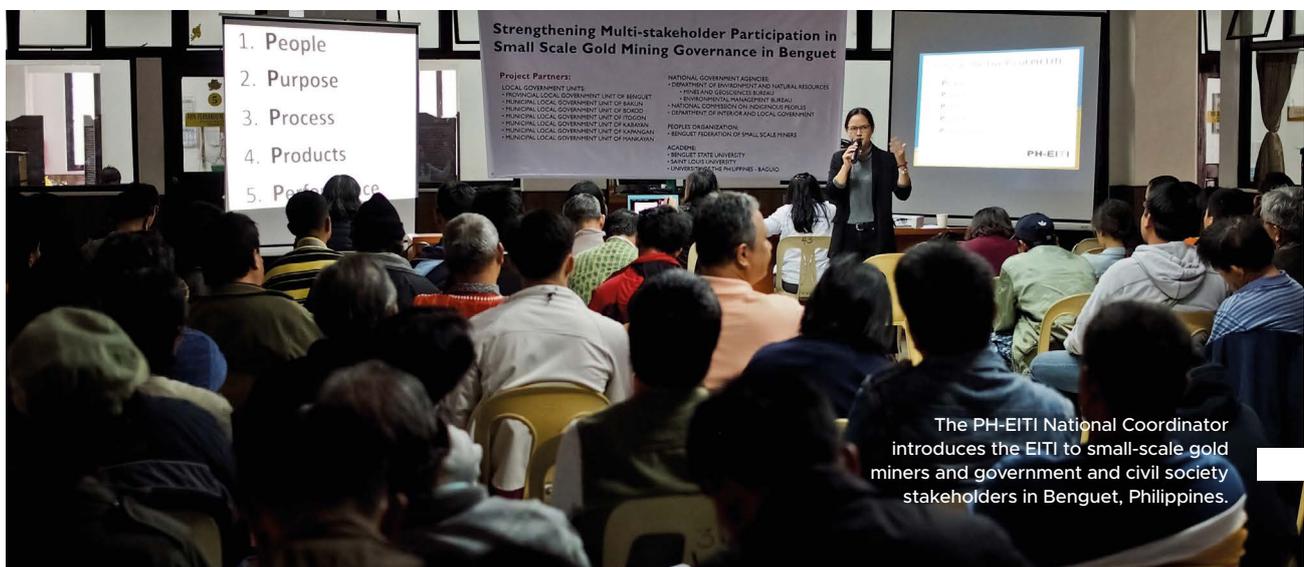
Civil society organisations have played an important role as intermediaries between the EITI process and citizens. Civil society groups have used data to conduct analysis and communicate findings and recommendations for improved extractive sector governance. They have also helped to ensure that the information reaches citizens affected by extractive activities.

Ecuador

In Ecuador, civil society campaigned for more than eight years for their country to join the EITI. Civil society groups liaised with government decision-makers and international partners on the EITI and organised capacity-building activities. They also participated in peer learning in other EITI countries in the region. Ecuador became an implementing country in 2020.

Philippines

Civil society in the Philippines is actively engaged in the EITI, particularly through the Bantay Kita coalition. Information published by PH-EITI on extractive contracts, revenues and subnational transfers has empowered citizens to monitor compliance by the government and companies. Civil society has also played an important role in disseminating information to Indigenous communities and helping them understand their rights.



The PH-EITI National Coordinator introduces the EITI to small-scale gold miners and government and civil society stakeholders in Benguet, Philippines.

PHOTO CREDIT: JOYLIN A SAOJING

Strengthening corporate accountability

Building trust through corporate engagement

Over the past two decades, the success of the EITI has been made possible thanks to the active participation of companies. Many supported the establishment of the EITI Principles in 2003 and have continued to play pivotal roles in the EITI process ever since. At a global level, the world's foremost oil, gas and mining companies and commodity traders, as well as financial institutions, have supported the EITI throughout its journey.

Through their support for the EITI, many companies are at the forefront of promoting transparency and good governance in the extractive sector worldwide. They achieve this by upholding and encouraging adherence to the **Expectations for EITI supporting companies**, as well as by providing financial contributions to support the EITI's work. EITI supporting companies have also played a critical role in shaping the implementation of the EITI Standard and governance at both local and international levels.

Expectations for EITI supporting companies

Since the EITI was founded, the reporting obligations of supporting companies has been the subject of discussion. Initially, companies' compliance with the EITI

was evaluated through company self-assessments, which were discontinued in 2011. In 2018, the EITI introduced the Expectations for EITI supporting companies, which covered eight areas that aimed to strengthen corporate disclosures and accountability practices.

Since then, civil society organisations, media and other stakeholders called on the EITI to assess companies on their adherence to the Expectations. This led to a first-time assessment in 2021 of more than 60 companies, which helped to identify good disclosure practices and opportunities for improvement. The EITI Board subsequently clarified and strengthened the Expectations and agreed to routinely assess progress by supporting companies.

“Our member companies see the benefits of involvement in the EITI at a country level through increases in trust and growth in the dialogue between governments, civil society and business.”

ICMM STATEMENT OF SUPPORT

Companies supporting the EITI



Social payments and expenditures

From the outset, companies operating in EITI implementing countries have participated in EITI multi-stakeholder groups and reporting, which has strengthened public awareness of their activities as well as their economic and social contributions. This engagement has helped to build trust with communities; enhance companies' social license to operate; and establish stronger governance and disclosure norms.

Nigeria

Nigeria EITI (NEITI) has been reporting on social expenditures made by oil and gas companies since 2013. In 2020, these payments amounted to about USD 407 million, of which 90% were legally mandated payments that are levied by one of two agencies. The Niger Delta Development Commission (NDDC) receives 3% of the annual budget of any oil producing or gas processing company operating in the Niger Delta area, while the Nigerian Content Development Monitoring Board (NCDMB) receives 1% of every contract in the upstream sector of the Nigerian oil and gas industry. Information on the use of these funds is disclosed on the agencies' websites.

2003

Ten supporting investors sign the "Investors' statement on transparency in the extractive sector", calling on companies in which they invest to support the EITI's principles of payment disclosure.

2013

The EITI launches the **Business Guide**, which provides guidance on how companies can engage with the EITI at a country level in ways that are beneficial for their operations.

2018

The EITI launches the **Expectations for EITI supporting companies**, which is later integrated into the 2019 EITI Standard.

2020-2021

The EITI assesses more than 60 companies on their adherence to the Expectations and publishes the results.

2022

The Expectations are revised and aligned with the EITI Standard. They include provisions on publishing anti-corruption and gender policies; project-level payments; and stronger commitments on contract and beneficial ownership disclosure. The EITI International Secretariat undertakes a further assessment.

* Member of ICMM



Establishing a global standard

The EITI Criteria

At the second EITI Global Conference in March 2005, EITI stakeholders and implementing countries recognised the need for a consistent approach to the EITI Principles. This led to the creation of the **EITI Criteria**, introduced as part of the **EITI Source book**, which focused on the publication of extractive payments by companies to governments, as well as revenues received by governments from companies.



Jonas Moberg, former EITI Executive Director, at the 2013 EITI Global Conference in Sydney, Australia.

The 2013 EITI Standard

The sixth EITI Global Conference saw the launch of the **2013 EITI Standard**, which expanded the scope of EITI reporting beyond fiscal revenues and established the global benchmark for extractives transparency. It sought to make reports more understandable, relevant and accurate, and condensed the previous 21 requirements and policy notes into seven requirements. It also introduced a more frequent and nuanced Validation mechanism to incentivise continuous progress for countries.

2005

2009
& 2011

2013



Clare Short, former EITI Board Chair, at the 2011 EITI Global Conference in Paris, France.

The EITI Requirements

While the EITI Criteria were a starting point for disclosure, they lacked specific rules around the timeframes, regularity and timeliness of reporting. To address these gaps, the EITI Board launched the **EITI Rules** at the EITI Global Conference in 2009, which introduced requirements for implementing countries around the timely and regular publication of data. An updated version was issued in 2011.



Fredrik Reinfeldt, former EITI Board Chair, at the 2019 EITI Global Conference in Paris, France.

The 2019 EITI Standard

The **2019 EITI Standard** was launched at the eighth EITI Global Conference following extensive consultations with implementing and supporting countries, supporting companies and civil society organisations.

This iteration of the EITI Standard represented a further evolution in extractives transparency. New provisions focused on making disclosure and open data a routine part of government and corporate reporting, by publishing information in a timelier and more accessible format that could better support analysis and decision-making. It required implementing countries to publish new contracts from January 2021 onwards, and introduced new requirements on environmental reporting, gender reporting and commodity trading.

The 2023 EITI Standard

The **2023 EITI Standard** enhances opportunities for countries and companies to use the EITI platform to identify and address corruption risks; supports disclosures and public debate on the impacts of the energy transition; promotes greater diversity in decision-making and disclosures on gender, social and environmental issues; and requires more comprehensive and detailed revenue disclosures, which can help countries strengthen their tax base and raise revenues.

2016

The 2016 EITI Standard

The seventh EITI Global Conference saw the launch of the **2016 EITI Standard**, which included new revisions and encouraged countries to build on their existing reporting systems and practices for EITI data collection. It sought to bring greater transparency and accountability to all aspects of natural resource management, including tax transparency, commodity trading and licensing. It also introduced a new provision on beneficial ownership transparency, requiring countries to disclose the real owners of extractive companies from 2020 onwards.

Moreover, the new EITI Standard encouraged countries to disclose data in an open format to enable better access, usability and analysis of EITI disclosures. It also encouraged the systematic disclosure of data, drawing on existing online sources rather than developing separate systems for data collection.

2019

2023



2016 EITI Global Conference in Lima, Peru.

Validation

Assessing progress in EITI implementation

Following the introduction of the EITI Criteria, stakeholders recognised a need for greater clarity around the requirements that implementing countries needed to meet and how their progress should be measured. In 2006, the International Advisory Group introduced **Validation**, a mechanism for assessing whether countries had undertaken the necessary sign-up steps (“EITI Candidate”) and met the EITI Principles and Criteria (“EITI Compliant”).

When the EITI Rules were introduced in 2009, multi-stakeholder groups were required to contract an independent Validator to assess compliance. For the first time, this process allowed countries to reflect and act on lessons learned; address discrepancies; and ensure that EITI implementation was sustainable.

Following concerns about the potential impartiality of these assessments, the EITI International Secretariat assumed the responsibility and cost of commissioning Validation. In 2016, a new Validation system was introduced whereby countries were assessed on their progress in meeting the EITI Standard. Their overall progress, as well as progress against individual EITI Requirements, were assessed as either “outstanding”, “satisfactory”, “meaningful”, “inadequate” or “no progress”.

While this system provided a helpful benchmark for advancing transparency and multi-stakeholder engagement, many countries struggled to implement the more complex provisions of the EITI Standard, while ensuring that the EITI remained impactful and responded to stakeholders’ needs. In response to these challenges, the EITI Board agreed to undertake a review of the Validation process in 2020.

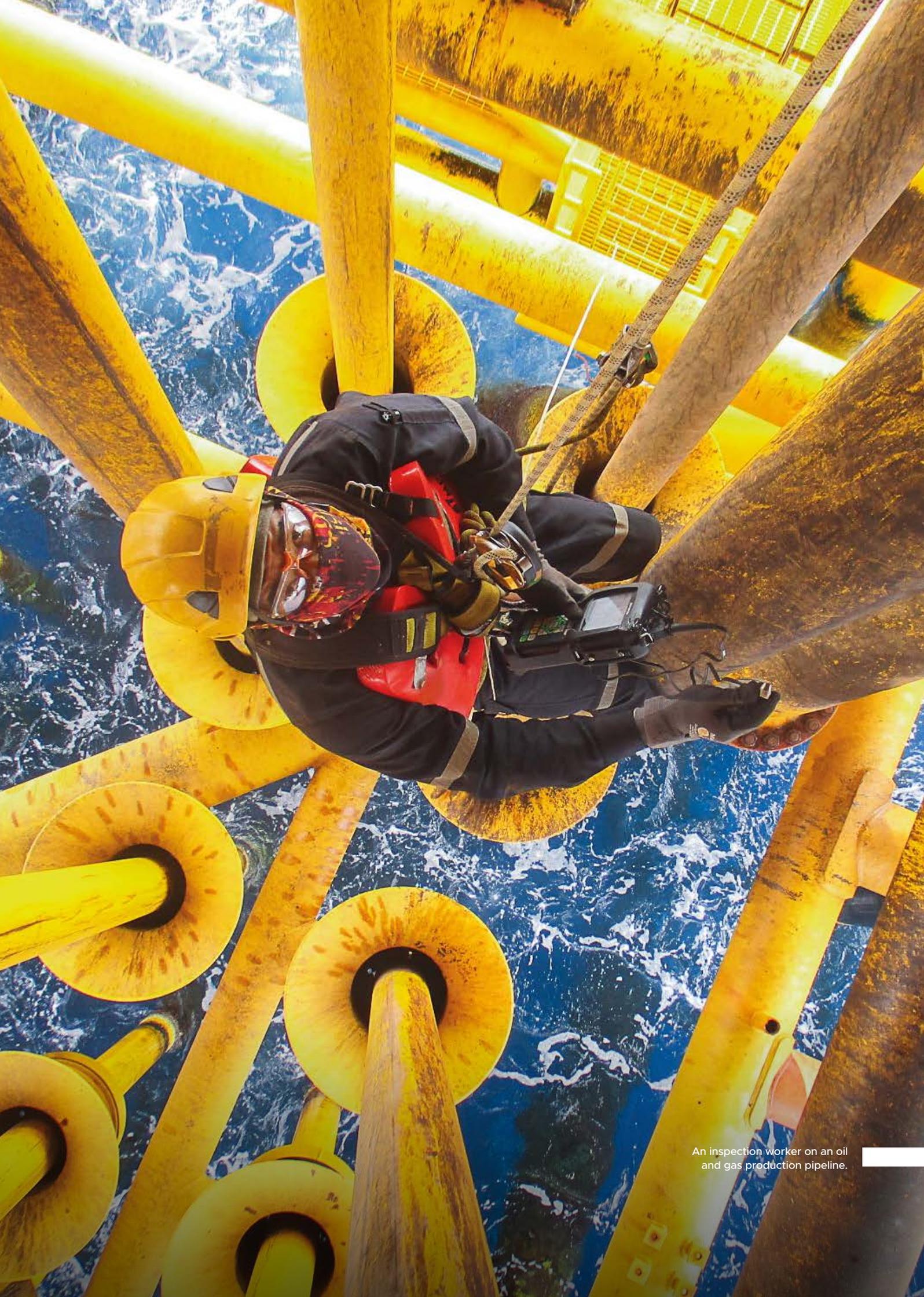
In April 2021, a new Validation model and procedure took effect. Underpinned by an extensive consultation process, the model encourages progress by ensuring EITI implementation responds to national priorities, while also maintaining a rigorous approach to Validation that upholds the integrity of the EITI Standard.

Since it was first introduced, Validation has sought to hold all countries to the same global standard while promoting dialogue and learning at a country level. It has since evolved to respond to the diverse challenges that countries face. Validations are based on consultations with national stakeholders to achieve consensus on progress, gaps and objectives of EITI implementation. Designed as a continuous learning process to strengthen the impact of the EITI at the national level, Validation results in a detailed assessment with recommendations and corrective actions for improving implementation of the EITI Standard.



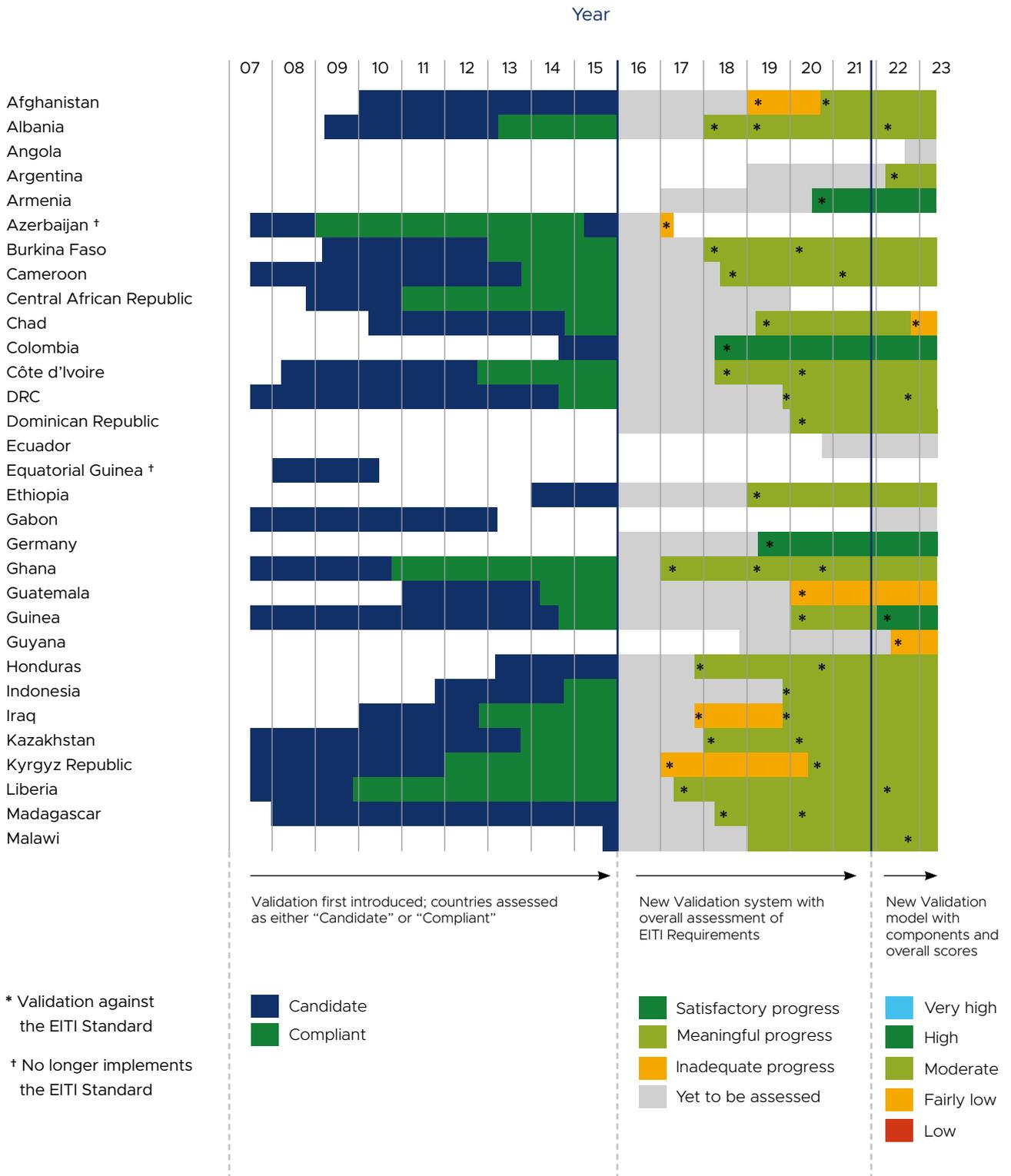
The 42nd EITI Board meeting in Kyiv, Ukraine in February 2019.

PHOTO: SHUTTERSTOCK



An inspection worker on an oil and gas production pipeline.

Country progress over the years



From reports to open data

Making EITI data open and accessible

Open data lies at the core of the EITI's mission to promote the open and accountable management of natural resources. Over the past decade, data reported through the EITI has increasingly been published in more accessible and usable formats, enabling informed public debate and decision-making on natural resource management.

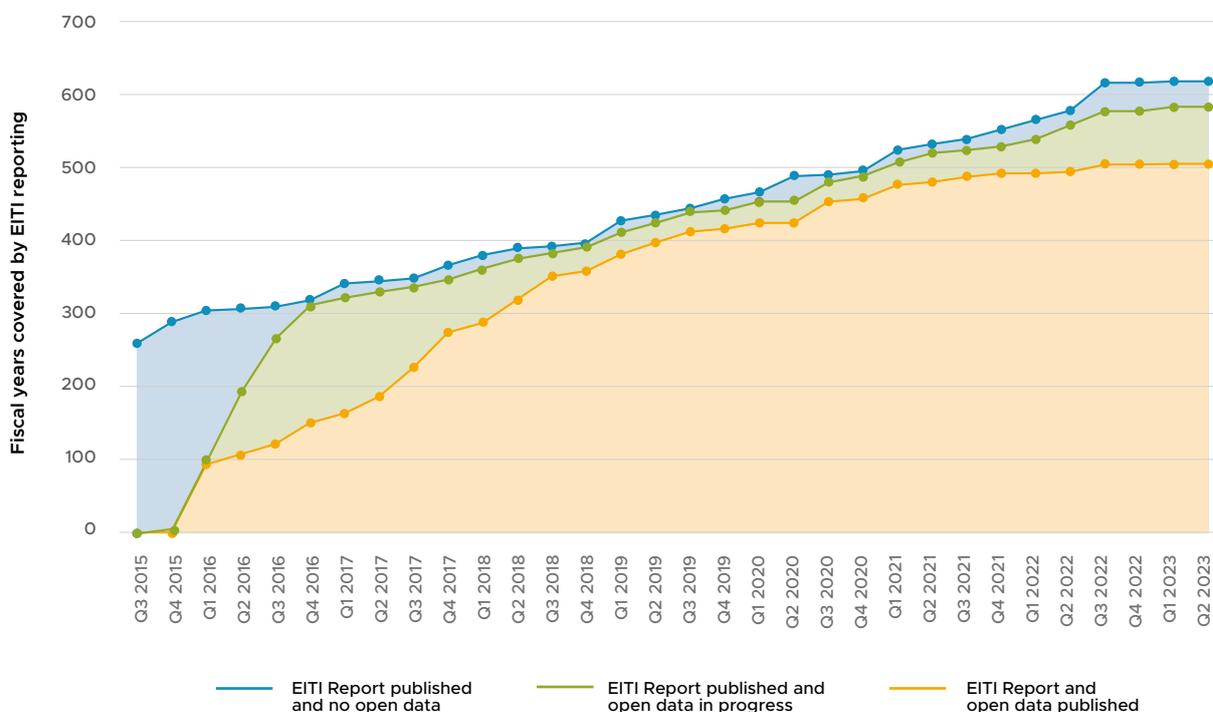
EITI Open data policy

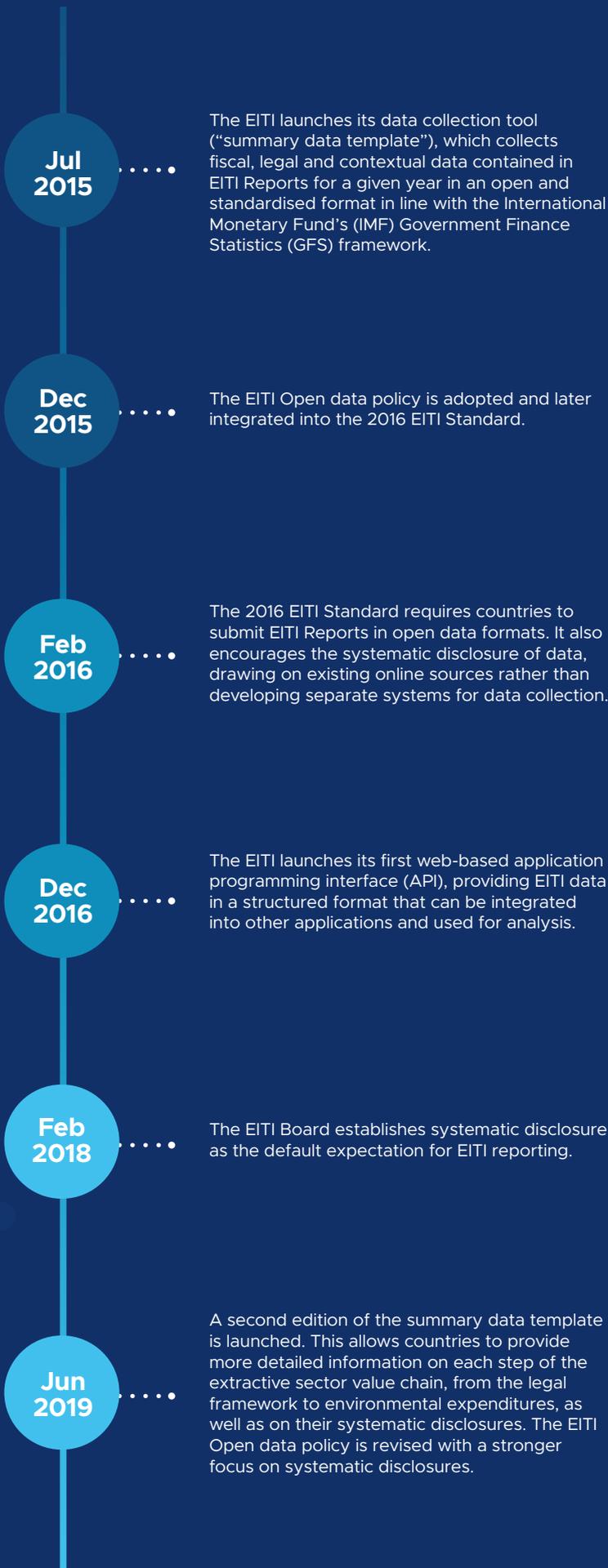
In 2015, the EITI Board adopted the [EITI Open data policy](#), which sets out recommendations for implementing countries to make their EITI data publicly available

in a timely, comprehensive and accessible manner. The policy has its roots in the broader open data movement, which aims to make data available to the public in a usable and machine-readable format.

Since the policy's adoption, EITI member countries have made significant progress in making their data available to the public. As of 2023, nearly 60 countries have published data in an open and standardised format in accordance with the EITI Open data policy. This has allowed for key information – such as financial data, government revenues and project-level data – to be compared and analysed across different years and jurisdictions.

OPEN DATA THROUGH EITI REPORTING
2015-2023



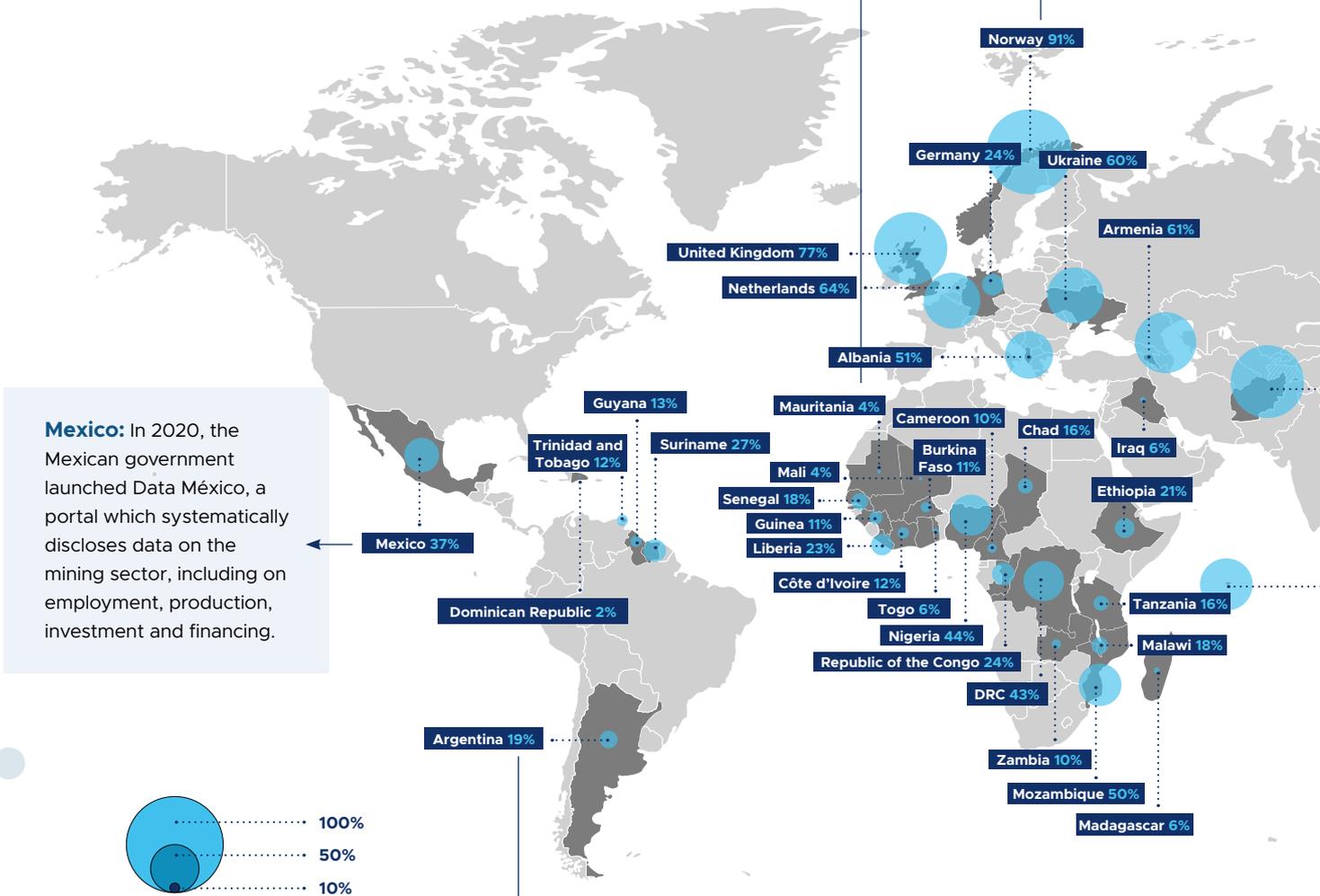


29
*EITI countries
 have adopted
 an open data
 policy on the
 access, release
 and re-use of
 EITI data*

Mauritania: In 2019, the government issued a decree mandating the systematic disclosure of extractive sector data through government and company systems. The government established a “data warehouse”, which automates the process of collecting payment data from reporting entities.

Global overview of systematic disclosure

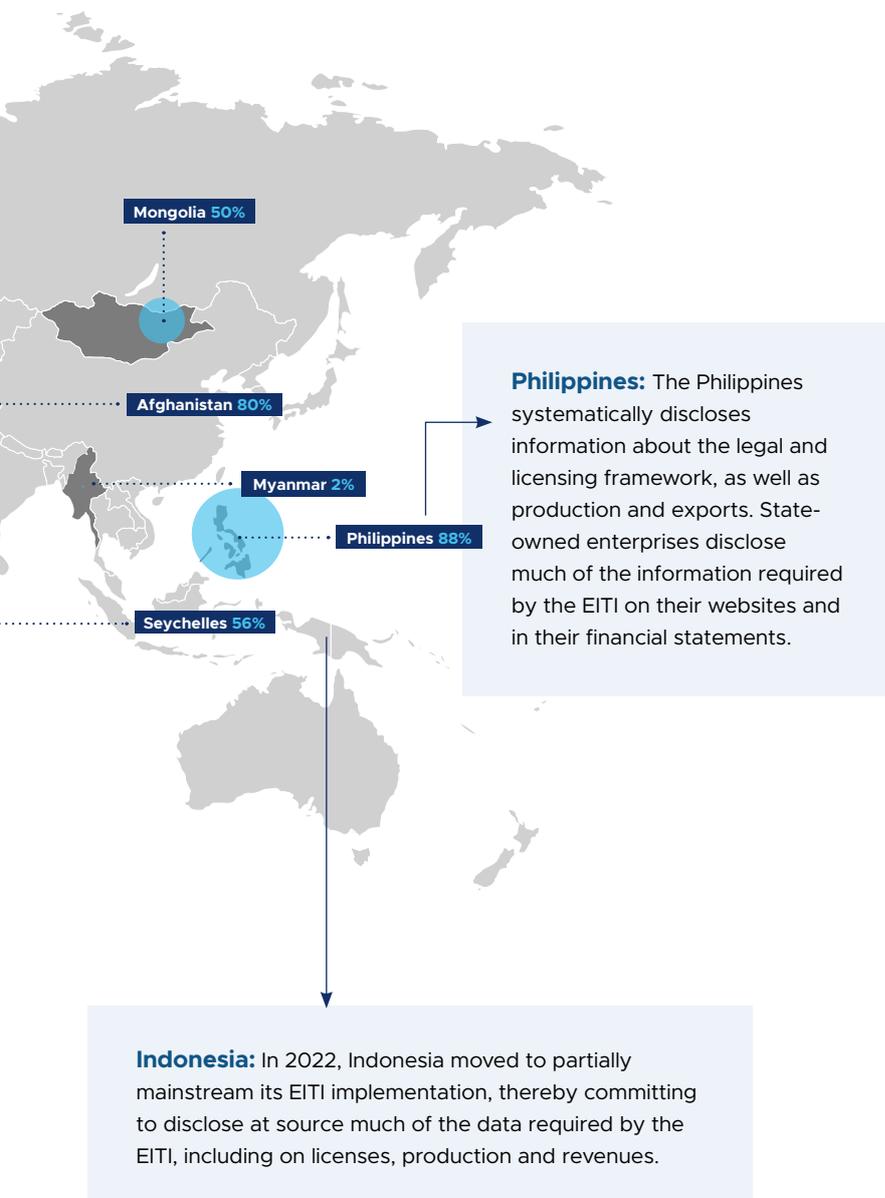
Systematic disclosures from 38 countries covering 2017–2021 fiscal years



Mexico: In 2020, the Mexican government launched Data México, a portal which systematically discloses data on the mining sector, including on employment, production, investment and financing.

Argentina: In February 2022, the federal government adopted a resolution to establish an open information system – the Sistema de Información Abierta a la Comunidad sobre la Actividad Minera en Argentina (SIACAM) – which systematically reports data on the economic, geological, social and environmental aspects of mining activities.

Norway: Norway is the first country to have fully mainstreamed disclosures required by the EITI. Timely, comprehensive and reliable information on the oil and gas sector is published through the government's Norwegian Petroleum website and in companies' country-by-country reports. Contracts can be requested through an e-information platform and shareholder information through the tax office.



Transparency at source

The EITI Open data policy envisioned that transparency should be an integral and systematic part of extractive sector management. To this end, it encouraged countries to work towards disclosing data required by the EITI Standard directly through government and company systems. This approach of “mainstreaming” the EITI would allow countries to build on their existing reporting mechanisms and reduce the burden, cost and duplication of data in standalone EITI Reports.

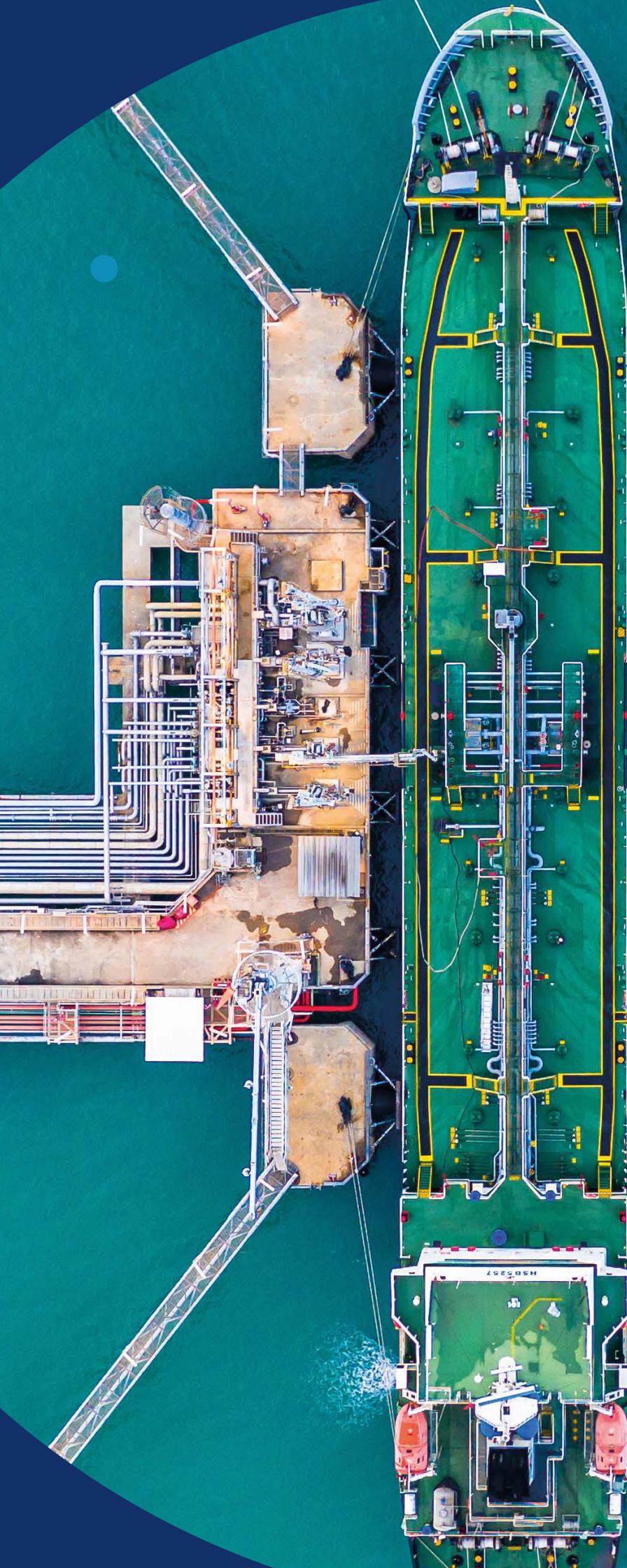
This approach of systematic disclosure was later enshrined in the 2016 EITI Standard, which encouraged countries to consider automated online disclosure of revenues and payments by governments and companies on a continuous basis. In 2018, systematic disclosure became the default expectation for data reported through the EITI, and several countries began to conduct feasibility studies on embedding EITI disclosures in government and company systems.

As a result, EITI implementing countries are increasingly disclosing data at source through government and company databases, online registries, websites and portals. Today, about a quarter of data reported through the EITI is disclosed systematically, allowing for multi-stakeholder groups to shift their focus from data collection to data use, analysis and debate. Many countries have developed portals for reporting information such as beneficial owners, contracts and licenses, which centralise data collection and publication.

TWO DECADES OF EXTRACTIVES TRANSPARENCY

EITI reporting and implementation spans the extractive industry value chain, from the legal frameworks governing the oil, gas and mining sectors, to how revenues make their way to government coffers and how they benefit the public. The EITI's policy priorities reflect our strategic objectives and the key areas in which we support countries with implementation of the EITI Standard.





Aerial view of an oil terminal tanker.

PHOTO: SHUTTERSTOCK

Revenue management and distribution

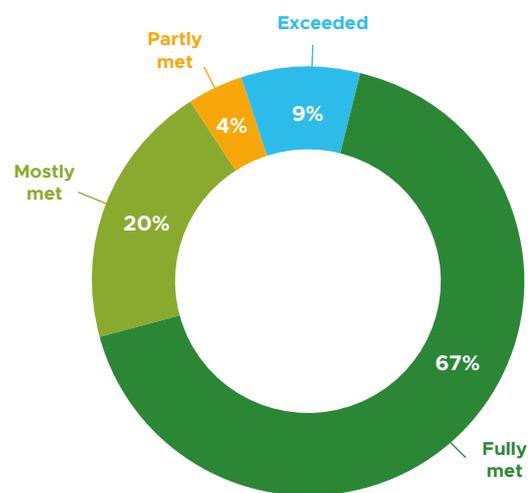
Following the money

The EITI was founded on the shared belief that public understanding of government revenues and expenditure over time could help inform public debate and policies that support sustainable development. More than one fifth of EITI implementing countries are dependent on revenues from the extractive sector, which underscores the importance of ensuring that these funds are managed transparently and responsibly for the benefit of citizens.

From the beginning, the EITI required countries to disclose company payments and government revenues. Over the past decade, the EITI Standard has expanded these requirements to provide even more comprehensive information on how revenues from the sector are managed. The 2013 EITI Standard included requirements to include social and economic expenditures, while the 2016 EITI Standard required the disclosure of in-kind revenues, which today represent nearly half of the total revenues reported through the EITI. In 2019, the EITI Standard was expanded to include more comprehensive disclosures on the revenue flows and production data of state-owned enterprises, which in some countries make a significant contribution to public finances.

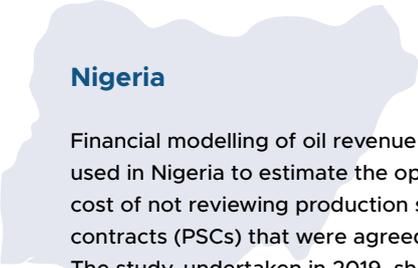
The EITI has also strengthened public oversight on how revenues are shared with subnational governments and communities. In several countries, EITI reporting has led to changes in the regulatory framework and helped local communities demand the share of revenues they are entitled to. EITI implementation has also helped local governments track, manage and disclose revenues more efficiently.

COUNTRIES' PROGRESS IN MEETING EITI REQUIREMENT 5.1 ON REVENUE DISTRIBUTION



630
fiscal years are
covered in EITI
reporting to date

USD
2.97tr
in revenues have
been reported
through the EITI



Nigeria

Financial modelling of oil revenue data was used in Nigeria to estimate the opportunity cost of not reviewing production sharing contracts (PSCs) that were agreed in 1993. The study, undertaken in 2019, showed that the loss of revenue amounted to USD 16 billion to 28 billion. It contributed to an amendment of the Deep Offshore and Inland Basin PSC Act in November 2019, which increased royalty rates and introduced periodic reviews and penalties for non-compliance.



Colombia

The EITI has served as a platform for dialogue on the impact of the COVID-19 pandemic on Colombia's public finances. In October 2020, EITI Colombia published a study on how extractive revenues could contribute to economic recovery. Basing its analysis on future revenue expectations, the study offered recommendations on addressing economic dependence on coal; improving policies to maintain the sector's competitiveness; and using extractive royalty transfers to promote economic recovery at the regional and local level.



Peru

In 2001, Peru established a law requiring 50% of oil, gas and mining revenues to be distributed to regions and municipalities. The country has included these transfers in its EITI reporting since 2007, with its latest report covering revenue allocations to all regions in the country. EITI Perú has also decentralised EITI implementation since 2012, having established multi-stakeholder groups in several regions. Together, they have produced more than 30 reports and studies on extractive sector management at the subnational level.



Mali

In Mali, regional tax offices levy a fee directly from companies which accounts for 1.1% of government revenue. In 2020, a study by ITIE Mali examined revenue allocations by region, emphasising those allocated to youth, infrastructure services and women's organisations. It found that revenue traceability at the local level was weak and that local authorities face significant challenges in accessing and using mining revenue data. The report recommended using digital technologies and establishing stronger partnerships between mining companies, government agencies and local authorities to improve revenue traceability and promote more effective revenue sharing with local communities.



Aerial photograph
of a sand quarry.

Contract transparency

Establishing a global norm on publishing extractive agreements

In most EITI implementing countries, contracts between the state and extractive companies establish the terms and conditions for resource extraction, including important information such as social and environmental obligations and how much tax is paid. Until recently, many if not most of these contracts were confidential, hindering informed public debate on the impact of resource extraction and whether the country is receiving a fair return for its natural resources.

The 2013 EITI Standard was a landmark in encouraging contract transparency and requiring a clear policy on contract disclosure. The issue subsequently received more attention at the national level, with many EITI implementing countries taking steps to publish the agreements that govern extractive projects. The 2019 EITI Standard took this further by requiring countries to disclose contracts signed or amended after 1 January 2021, which would allow for more comprehensive data that could be used to inform analysis and public debate.

The EITI Board has since agreed further clarifications to ensure disclosures are comprehensive and that multi-stakeholder groups can address legal barriers. Companies such as TotalEnergies and ICMM member companies are leading the effort to pursue contract transparency as the norm.

As these changes have taken place, the debate around disclosure has shifted away from why contracts should be published, towards how disclosure can be achieved and what needs to be done to bring the greatest benefits. In 2019, the EITI Contract Transparency Network was formed – a forum for governments to share experiences, provide expertise and champion the publication of contracts through the EITI. Today, nearly 20 countries participate in the network to show leadership on this agenda and rally support from other governments to make contract transparency the default practice. The EITI's recent work on contract transparency at the global and country level places increasing emphasis on the role that contract publication can play in informing energy transition policies and mitigating corruption.

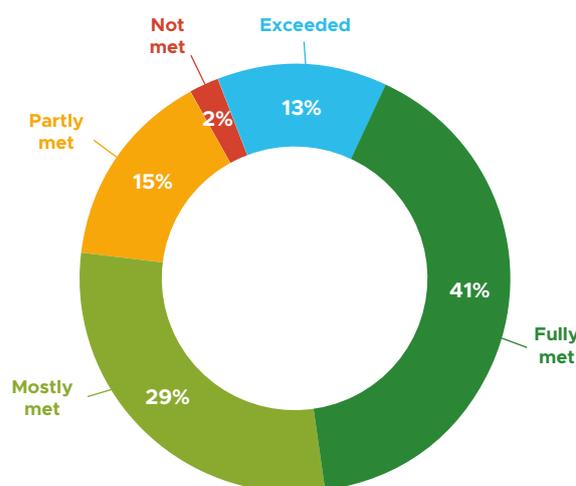
Republic of the Congo

The Congolese government publishes the full text of all oil, gas and mining contracts and licenses in its official gazette. The country's 2020 EITI Report and the ITIE Congo website also include a comprehensive list of contracts and licenses in the petroleum and mining sectors. These disclosures have enabled ITIE Congo to conduct financial modelling of past and expected future payments from key oil projects, as well as companies' oil sales, to promote an informed debate and examine the effectiveness of Congo's fiscal policies.

Senegal

Senegal's Law 2012-22 on transparency and public financial management mandates the publication of mining contracts, and the mining and petroleum codes specify that oil, gas and mining contracts must be published in the government's official journal. The country has disclosed all contracts and licenses awarded from 1979 to 2021, using the EITI platform to improve the accessibility of information.

COUNTRIES' PROGRESS IN MEETING EITI REQUIREMENT 2.4 ON CONTRACT DISCLOSURE





Mining workers survey a mountain in Sierra Leone.

Beneficial ownership transparency

Accelerating the fight against hidden company ownership

The fight against anonymous company ownership is rapidly becoming a key part of the global movement to combat corruption. Recognising the need to tackle the negative impacts of corruption, tax evasion and money laundering associated with hidden company ownership in the extractive sector, the EITI introduced a landmark requirement in the 2016 EITI Standard. This required the disclosure of beneficial owners of oil, gas and mining companies operating in EITI countries as of 1 January 2020.

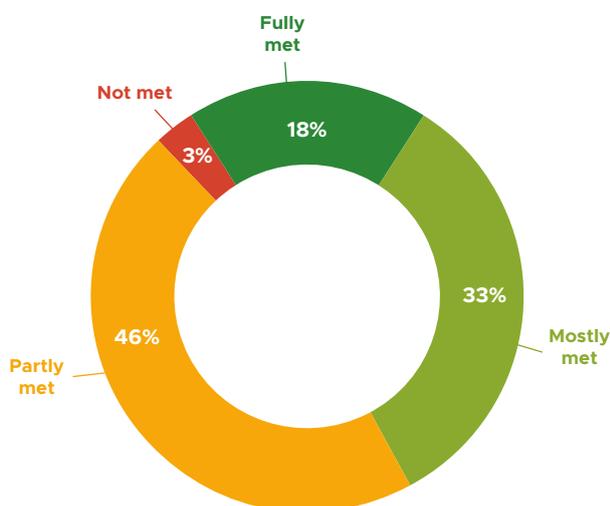
To achieve this mandate, EITI implementing countries developed roadmaps that outlined specific actions to make beneficial ownership transparency a reality. Some early adopters piloted beneficial ownership disclosure, including Burkina Faso, the Democratic Republic of the Congo, Honduras, Kyrgyz Republic, Liberia, Niger, Nigeria, Tajikistan, Tanzania and Zambia. These pioneering efforts revealed common challenges related to the legal and

regulatory frameworks, data collection systems and government regulatory and monitoring capacities that were needed to establish beneficial ownership registers.

Yet the exercise also offered some solutions, such as using EITI reporting as a means of collecting and disclosing beneficial ownership data. By 2017, against the backdrop of the Paradise Papers leaks, most EITI countries had planned to amend sector legislation and to make beneficial ownership disclosures mandatory. Many conducted capacity building and awareness raising activities directed at specific stakeholder groups, such as parliamentarians, industry, civil society organisations and media.

The EITI has also supported several countries to carry out legislative reviews and establish public registers of corporate ownership. By 2019, more than 30 EITI countries had collected beneficial ownership information as part of EITI implementation. Despite this progress, however, there remained a need for more focused and collaborative action to make beneficial ownership disclosure an integral part of extractive sector management.

COUNTRIES' PROGRESS IN MEETING EITI REQUIREMENT 2.5 ON BENEFICIAL OWNERSHIP DISCLOSURE



“The implementation of beneficial ownership transparency will help in tackling corruption and support revenue mobilisation efforts for development. This will be achieved by unveiling the real owners of companies to ensure that they pay the right amount of taxes, and reduce transfer pricing and mispricing, which have the potential of undermining our efforts on domestic revenue mobilisation.”

**H.E. NANA ADDO DANKWA AKUFO-ADDO,
PRESIDENT OF GHANA**



2013

The 2013 EITI Standard includes a provision on beneficial ownership disclosure and recommends countries to maintain a publicly available register. A beneficial ownership disclosure pilot is launched in selected countries.

Feb 2016

The 2016 EITI Standard requires countries to disclose the beneficial owners of oil, gas and mining companies from 1 January 2020.

Oct 2017

The EITI and Indonesian government convene the “Opening Up Ownership Conference”, gathering 400 representatives from more than 45 countries to discuss action on beneficial ownership transparency.

Jan 2020

The requirement on beneficial ownership disclosure comes into effect.

Feb 2021

The EITI and Open Ownership launch Opening Extractives.

Opening Extractives

In 2021, the EITI launched **Opening Extractives** in partnership with Open Ownership and supported by the BHP Foundation. The five-year programme supports the establishment and use of beneficial ownership registers in the extractive sector through intensive technical support. Since its inception, Opening Extractives has engaged with at least 30 agencies leading on beneficial ownership reforms across 11 countries.

The programme seeks to promote the widespread publication of beneficial ownership data by communicating lessons learned and highlighting examples of data use and publication. It has met demand to address data privacy and security concerns in the context of beneficial ownership disclosures; highlighted evidence of the economic impact of beneficial ownership transparency; and supported data use by civil society and media. At the regional and global levels, the programme is fostering peer exchange and sharing of best practices across agencies leading beneficial ownership reforms. The programme is also generating good practices on using data to mitigate corruption risks, especially in the light of energy transition.

41
countries disclose
extractive contracts

37
countries have
legislation on
publishing contracts

Ghana

In Ghana, successive governments have made high-level commitments over the past decade to accelerate beneficial ownership disclosure. In 2020, the government established a central register with ownership data for over 200,000 entities. The Opening Extractives programme has since engaged with media, civil society and government agencies to build capacity on using beneficial ownership data to inform analysis and investigations. Journalists have been using ownership data to highlight irregularities in licensing processes and corporate reporting.

Armenia

Armenia launched a public beneficial ownership register in 2021. The Opening Extractives programme partnered with the Freedom of Information Center of Armenia (FOICA) to build capacity among media and civil society actors on using data published through the register to conduct analysis and promote accountability. Several journalists have subsequently published articles to investigate the beneficial ownership of companies in the gold, energy and mining sectors, as well as potential conflicts of interest.

Argentina



Armenia



Ecuador



Ghana



Indonesia



Liberia



Mongolia



Nigeria



Philippines



Senegal



Zambia





Civil society and media discuss opportunities to use beneficial ownership data at an Opening Extractives workshop in Zambia.

State participation and commodity trading

Supporting public oversight of state-owned enterprises

The EITI was one of the first international standard-setting bodies to introduce reporting requirements for state-owned enterprises (SOEs), which often play a major role in the extractive sector. In 2013, the EITI Standard introduced disclosure requirements related to SOE governance, including on payments to and from SOEs; the financial relationship between governments and SOEs; SOEs' off-budget expenditures; and the level of ownership of governments and SOEs in oil, gas and mining companies.

In 2019, the EITI Standard was strengthened with new disclosure requirements on state participation, SOE transactions and SOE financial statements. In 2019, the EITI launched the SOE Transparency Network to provide a platform for dialogue between SOEs and other stakeholders. In recent years, several SOEs have also signed up as EITI supporting companies with a view to strengthen their transparency and accountability practices.

Recognising the need to build a peer learning platform for SOEs, the EITI held its first annual SOE Leaders' Summit in 2020 to exchange best practices on governance, transparency and accountability. At the 2022 summit, around 20 CEOs and representatives explored how the EITI process can assist state-owned companies in planning for the energy transition scenarios and how data can be used to inform sustainable and responsible policies. The EITI's efforts to promote responsible management of SOEs have been bolstered by its partnerships with key stakeholders, including the World Bank, the IMF and international civil society organisations.

Democratic Republic of the Congo

In 2020, ITIE-RDC reviewed the financial statements of nine SOEs and found deviations between policy and practice regarding their financial transfers to the state. The report offered recommendations to improve the enforcement of regulations and improve the production potential and profitability of SOEs to strengthen their competitiveness and contributions to the national economy. ITIE-RDC renewed the exercise in 2023 and provided recommendations to increase

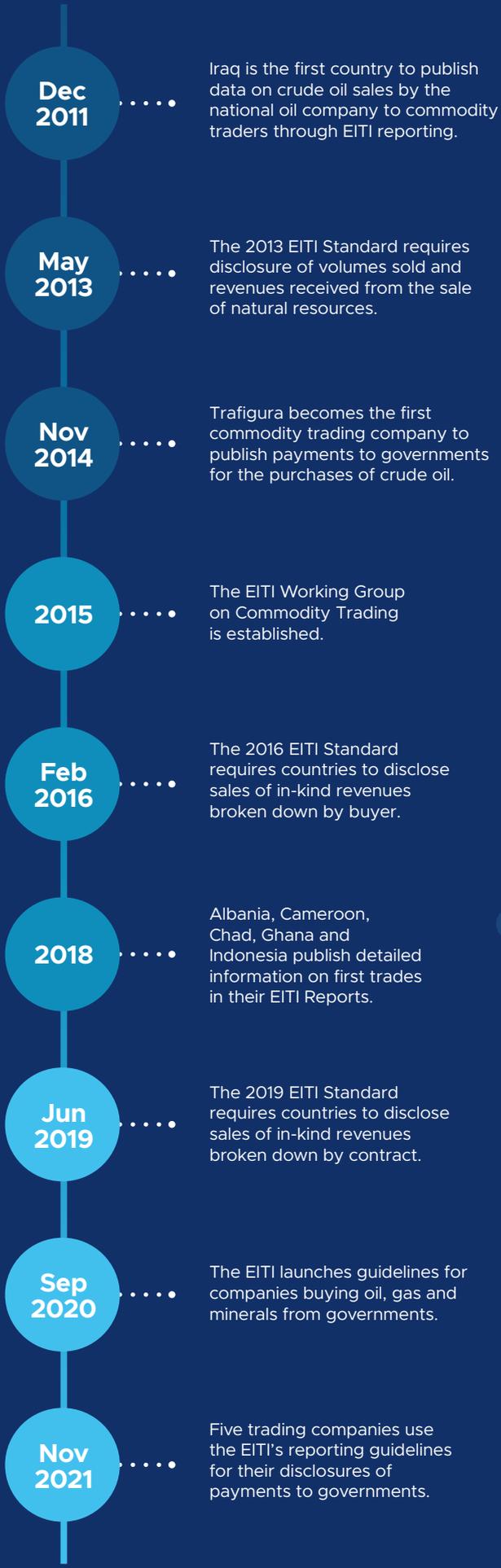
assurance over their contracts, licenses and contractual revenues. A separate study on Sicominex – a joint venture between a mining SOE and a group of Chinese companies – revealed irregularities in the project contract and its execution that disadvantaged the Congolese contracting party. This prompted a call for the government to renegotiate the deal.

Commodity trading transparency

Over the past 10 years, the EITI has taken important steps to increase transparency of payments that SOEs and commodity traders make to governments in exchange for their oil, gas and mineral resources. In response to increasing calls for greater transparency in commodity trading, the EITI Standard was amended in 2013 to require the disclosure of revenues from first trades of oil, gas and minerals. The requirement was further clarified in the 2016 EITI Standard and expanded on in the 2019 EITI Standard, which also encouraged governments to be transparent about their processes for selecting buyers and the related sales agreements.

In 2020, the EITI launched the **Reporting guidelines for companies buying oil, gas and minerals from governments**, with a view to shed more light on these trades and how they are managed. The guidelines, developed in collaboration with a multi-stakeholder working group, have since been used by several major commodity traders and energy companies in their public reporting, including Equinor, Trafigura, Glencore, Gunvor and TotalEnergies.

*USD 1.4tr
of revenues reported
through the EITI were
collected in kind*



**Dec
2011**

Iraq is the first country to publish data on crude oil sales by the national oil company to commodity traders through EITI reporting.

**May
2013**

The 2013 EITI Standard requires disclosure of volumes sold and revenues received from the sale of natural resources.

**Nov
2014**

Trafigura becomes the first commodity trading company to publish payments to governments for the purchases of crude oil.

2015

The EITI Working Group on Commodity Trading is established.

**Feb
2016**

The 2016 EITI Standard requires countries to disclose sales of in-kind revenues broken down by buyer.

2018

Albania, Cameroon, Chad, Ghana and Indonesia publish detailed information on first trades in their EITI Reports.

**Jun
2019**

The 2019 EITI Standard requires countries to disclose sales of in-kind revenues broken down by contract.

**Sep
2020**

The EITI launches guidelines for companies buying oil, gas and minerals from governments.

**Nov
2021**

Five trading companies use the EITI's reporting guidelines for their disclosures of payments to governments.

60+
SOEs participate in EITI reporting

20+
countries fully disclose transactions to and from SOEs

21
EITI countries collect in-kind revenues

Gender and extractives governance

Supporting a more inclusive extractive sector

Achieving accountability in the extractive sector for all citizens requires addressing the structural barriers that prevent women, girls and marginalised groups from participating in natural resource management and benefitting from revenues.

Civil society organisations such as Publish What You Pay (PWYP), Oxfam, International Women in Mining (IWIM) and others have been at the forefront of this issue for over a decade. Thanks to their advocacy, research and campaigns, the importance of gender representation in the extractive industries has been included in EITI disclosures. In 2019, the EITI Standard introduced new provisions for multi-stakeholder groups to consider gender balance in their representation; disclose employment data by company, gender and occupational level; and consider gender needs in the dissemination of information to the public. In addition, the revised Expectations for EITI supporting companies, effective since 2022, include first-time commitments for companies to publish a policy on gender diversity as well as employment data disaggregated by gender.

Since then, several countries have taken steps to improve gender representation and inclusion in their extractive industries. In Sierra Leone, the multi-stakeholder group integrated gender diversity into its strategic planning and implementation by building on the country's 2021 Gender Empowerment Bill, and increased its membership of women from five to nine. In Burkina Faso, the EITI produced a diagnostic of gender-based violence in the mining sector, with recommendations to address and mitigate the issue. And in the Philippines, PH-EITI published detailed employment and gender data, and conducted a study on the participation and experiences of women in large-scale mining to highlight gender disparities and identify areas for improvement.

In May 2021, the EITI convened nearly 200 stakeholders for a global peer learning event on advancing gender equality in the extractive sector through EITI implementation. While much still needs to be done, efforts to place more attention on gender representation and inclusion in the extractive industries have resulted in positive steps in several implementing countries. The EITI continues to work with partners to guide and support countries in promoting gender diversity in decision-making; improve the availability of gender-specific data; and address the gender-specific impacts of the sector and energy transition.

Two thirds
of EITI countries report
gender data

25%
of members of national
multi-stakeholder groups
are women

“Our data on gender distribution in the extractive industries forms the basis for debate and initiatives to empower more women to participate in the sector and contribute further to Senegal’s economy.”

**HON. AWA MARIE COLL-SECK
MINISTER OF STATE, SENEGAL AND PRESIDENT,
NATIONAL COMMITTEE OF SENEGAL EITI (CN-ITIE)**

Artisanal and small-scale mining

Supporting efforts to monitor informal mining

Artisanal and small-scale mining (ASM) is an important component of the global mining sector, providing employment and livelihoods for millions of people around the world. Yet its economic significance is difficult to enumerate, and the sector is often neglected or overlooked by policymakers and regulatory bodies. While EITI reporting has traditionally focused on the formal, large-scale mining and oil and gas sectors, it has also provided a platform for countries to disclose information on ASM to promote greater transparency and accountability in this sector.

In recent years, the EITI has taken steps to strengthen reporting on ASM. The 2016 EITI Standard introduced a requirement for participating countries to report on the contribution of ASM to their national economy. In 2018, a review by the EITI International Secretariat found that ASM is relevant in at least 31 EITI implementing countries, and that 16 countries had included objectives related

to ASM in their work plans. However, the review also found that few countries had designed a comprehensive approach for covering ASM in their EITI reporting.

Nonetheless, some countries have made strides to shed more light on the sector. Burkina Faso and Niger have seen engagement from ASM actors in their EITI multi-stakeholder groups. EITI reporting in Côte d'Ivoire has described the roles of government agencies and state-owned enterprises in overseeing the sector. In Honduras, EITI reporting has provided information on the construction of an ASM project and the mining regulator's policy for women's participation in artisanal mining.

In recent years, the EITI has collaborated with the Organisation for Economic Co-operation and Development (OECD) to strengthen reporting and due diligence in ASM in West Africa and beyond. Thanks to this partnership, the EITI produced new guidance in 2022 to better support countries in their efforts to cover the ASM sector in their EITI reporting.

Democratic Republic of the Congo

The Democratic Republic of the Congo has included data on subnational payments and mineral production related to ASM in its EITI reporting, and has used data from the International Tin Supply Chain Initiative (ITSCI) to discern the levels of production and revenues from the sector. In 2023, ITIE-RDC produced a thematic report on the ASM copper-cobalt-zinc value chain with support from the Belgian government. The report includes recommendations on collecting ASM data and information on alleged corruption cases in the sector.

Niger

With funding from the Belgian government, Niger produced a scoping study in 2022 which provides an overview of the recently revised legislative framework for ASM and key actors in the supply chain. It also discloses ASM production, commercialisation and export data and highlights discrepancies between production and exports, calling for further investigation into the cause of these irregularities. The report provides recommendations for integrating ASM in EITI reporting, including a materiality threshold and a reporting template.

Environmental reporting

Managing the impacts of extractive activities

Public concern about environmental issues linked to the extractive industries has intensified over the past 20 years. While the EITI Principles emphasise that natural resource wealth should be an engine for sustainable economic growth, early iterations of the EITI Standard lacked a framework for reporting on the environmental impacts of extractive activities.

In 2017, a review by the EITI International Secretariat found that at least 28 countries had gone beyond the EITI Standard to report on environmental issues in response to local concerns. In parallel to this work, civil society groups increasingly called on the EITI to do more to shed light on environmental aspects, including preservation of civic space for environmental campaigners. At the same time, some stakeholders emphasised that the EITI should not extend its mandate into areas already covered by other international agreements and national bodies.

In 2019, the EITI Standard was amended to include provisions on the disclosure of environmental payments by companies and contextual information related to environmental monitoring. These disclosures have been used to inform debate on environmental management practices and policies. In many countries, the EITI continues to be a unique space for civil society and media to express their concerns about the impacts that oil, gas and mining operations have on communities and the environment.

Colombia

EITI Colombia published a guide to environmental payments in the extractive sector. The guide identifies 14 different fiscal instruments – ranging from those applicable to all companies, to fees and taxes specific to oil, gas and mining. These include payments for water and forest use, insurance, mine closure, licenses and fines. The guide explains who is responsible for collecting these payments and how they are calculated and used.

Mongolia

The environmental impacts of mining are a subject of public debate in Mongolia. EITI reporting has enabled public oversight of environmental impact assessments and the different types of environmental payments made by extractive companies, which amounted to USD 24 million in 2020. Civil society groups have made use of EITI data to track company compliance with social and environmental obligations.

Trinidad and Tobago

Trinidad and Tobago's EITI reporting provides an overview of legal and contractual provisions related to environmental management in the mining and petroleum sectors, including figures on environmental tariff payments and the existence of rehabilitation and performance bonds. TTEITI also established an environmental subcommittee and a voluntary template for reporting environmental impacts. In addition, the Ministry of Planning and Development adopted a pilot programme on the monitoring and verification of carbon emissions.

A copper quarry.



A CHANGING LANDSCAPE, AN EVOLVING MANDATE

The EITI's strategic priorities seek to respond to the context within which the EITI operates and ensure that EITI implementation continues to be relevant, responsive and cost-effective in view of the diverse challenges faced by resource-rich countries, while maintaining focus on achieving the EITI's core mission.





PHOTO: SHUTTERSTOCK

Aerial view of an open pit mine.

Supporting the energy transition

Helping countries navigate an evolving energy landscape

As the energy transition gains traction, it will have a transformative impact on the extractive industries and global economy. EITI disclosures can be used to address the social, economic and environmental impacts of the energy transition. They can also help address governance and corruption risks in the face of anticipated growth in demand for minerals that are needed for renewable energy technologies.

Following a mandate from the EITI Board in 2020, the EITI is supporting countries in using and analysing EITI data to prepare for the economic implications of the transition; identifying governance risks related to transition minerals and measures to mitigate them; and exploring opportunities to use EITI implementation to strengthen transparency in the renewables sector. In 2022, the EITI, in partnership with the OECD and NRGi, convened an expert group on critical minerals to provide guidance to countries on how to tackle corruption risks in the energy transition.

Mission critical

More than a quarter of EITI implementing countries are significant producers of minerals that are used for renewable energy technologies. The EITI's *Mission Critical* report highlights the relationship between global energy transition objectives and the need for stronger mining sector governance at the national and local level. The study, undertaken by the Sustainable Minerals Institute and funded by the United States Agency for International Development (USAID), identifies 20 risk areas in the value chains of minerals needed for low-carbon energy technologies. These risks span global, transnational, national and subnational levels of mineral governance, ranging from environmental impacts and corrupt deals to price shocks and disruptions in global supply chains.

Separately, Ghana EITI commissioned a study, supported by USAID, to map proven reserves of critical minerals; ascertain the suitability of legal and fiscal frameworks; and assess the fiscal, social and environmental risks

and opportunities related to the extraction of critical minerals. The study offers recommendations on how Ghana can position itself strategically for the energy transition through state participation in the critical minerals sector, economic diversification and alignment of mining policies with broader industrialisation plans.

EITI Energy Dialogue

In 2021, the EITI hosted its first Energy Dialogue, bringing together African energy ministers and stakeholders to discuss the challenges and opportunities of the energy transition. The meeting highlighted the need for African countries to share experiences, and the EITI was identified as an important platform to build consensus and foster learning on managing the implications of the energy transition. A second Energy Dialogue was held in 2022, which continued the conversation on balancing economic interests with commitments to address climate change.

Engaging local communities

In 2022, the EITI launched **Engaging communities in a just transition**, a two-year project to shed light on how the energy transition is impacting livelihoods in communities living near extractive industries and energy projects. The project, which is supported by the Ford Foundation and builds on a 2020 scoping study, is being implemented in four communities located in Colombia, Ghana and Indonesia.

Shedding light on the renewables sector

EITI reporting offers a platform and lessons for addressing governance challenges and corruption risks in the renewables sector. Several countries, including Albania and Germany, are using the EITI to report on their renewable energy industries. In 2022, Mauritania EITI produced a report, with support from USAID, that explores what the development of gas and green hydrogen could mean for the country's future as it seeks to capitalise on increasing demand for these resources. The study notes that, to fully capitalise on the sector's potential, the move to establish a green hydrogen sector will need to be accompanied by sector-specific regulation.

15

EITI implementing countries are major producers of minerals used for energy transition technologies



Wind turbines and coal cargo ships in Uribe, Colombia.

Addressing corruption risks

Strengthening the EITI's role in mitigating extractive sector corruption

There is a shared view among EITI stakeholders that addressing corruption risks lies at the heart of EITI implementation and is central to multi-stakeholder groups' efforts to promote transparency and accountability. However, the EITI's role in tackling corruption is not always explicitly stated in EITI objectives at the national level.

In 2020, the EITI Board recognised the need for the EITI to clearly articulate its role in deterring corruption and provide support to multi-stakeholder groups in implementing anti-corruption measures, building on EITI Requirements on beneficial ownership and contract transparency. To that end, the 2023 EITI Standard introduces provisions to help EITI implementing countries identify areas across the extractive sector value chain that are vulnerable to corruption.

To support this shift, the EITI developed guidance in 2021 and is advising countries on how they can use the EITI to identify and address corruption risks. Some countries are already laying the groundwork in this area. The EITI in the Philippines conducted an analysis of corruption risks in the nickel value chain to guard against revenue leakages that might arise with potential windfall gains from growing nickel demand. Indonesia EITI established a focus group to analyse governance risks in the critical minerals supply chain for its battery industry, and the multi-stakeholder group is linking these efforts to the country's national anti-corruption plan.

The EITI is also strengthening its work on beneficial ownership transparency through the Opening Extractives programme. In Ghana, beneficial ownership reforms are seen as a tool to fight corrupt practices in the sector, with the EITI and Opening Extractives playing a key role in making data accessible. Furthermore, Nigeria EITI is replicating a tool that was developed by the EITI and Directorio Legislativo to identify corruption risks related to politically exposed persons in Colombia. Through the programme, the EITI and Open Ownership are catalysing efforts to combat the use of anonymous companies to conceal illicit financial flows and conflicts of interest.

Malawi

EITI reporting is one of the most comprehensive sources of data on Malawi's extractive and forestry sectors. The EITI process has allowed stakeholders to shed light on issues of public interest, including allegations of potential corruption issues related to mining licenses. These issues have since been scrutinised by civil society and were reported to the Anti-Corruption Bureau, which subsequently conducted an investigation. The case has prompted Malawi EITI to develop an anti-corruption policy and strategy, including measures to identify future deviations from laws and regulations.

Zambia

Zambia's 2018 EITI Report provided details on an inquiry by the auditor general, which exposed several questionable practices including the award of mining licenses to unqualified companies, illegal mineral exports, tax evasion and violations of environmental obligations. The investigation was prompted by the findings of Zambia's 2016 Validation Report and resulted in the government cancelling nearly 900 licenses.



Strengthening domestic resource mobilisation

Using resources for sustainable development

Extractive revenues are critical for supporting national development and public expenditure priorities, especially in the face of economic downturns and commodity price volatility. The 2023 EITI Standard requires more detailed disclosures, which can help governments ensure that revenues are maximised for public benefit rather than private gain.

The EITI's core work on revenue reporting supports this shift. Thanks to more comprehensive reporting on revenues and contracts, countries are increasingly able to use data to undertake analysis and financial modelling of past and future revenues from the sector. The EITI is also providing guidance on how countries can use the EITI process to address revenue sustainability and strengthen tax collection.



Transportation of bauxite ore in Guinea.

PHOTO: SHUTTERSTOCK

Republic of the Congo

A 2021 study, commissioned by ITIE Congo, uses EITI data to examine past and expected future payments from key oil projects and companies' oil sales to better understand the effectiveness of the Republic of the Congo's fiscal policies. It found that the government earned less due to its shrinking share of project revenues and explains the effect of renegotiations of terms in oil contracts. The study also provides a benchmarking of oil sales, costs and prices. Valuable lessons can be drawn from the study, which offers a data-driven steer for informing public debate and reform on Congo's fiscal regime.

Ghana

Ghana's parliament approved a bill in August 2020 allowing the government to invest mineral royalties in a special purpose vehicle, Agyapa Royalty Limited, and issue some of the company's shares to public investors. A financial modelling study, commissioned by Ghana EITI, was carried out to determine if the transaction represented a fair deal for the country. It found that the shares were undervalued, and the government subsequently suspended the deal to conduct further consultations. Additionally, a separate report found that the implementation of fiscal reforms that were recommended in EITI Reports led to an additional USD 714 million in government revenue between 2004 and 2018.

PHOTO: SHUTTERSTOCK

Informing investment decisions

Supporting performance on environmental, social and governance indicators

Investment decisions in the extractive sector are increasingly informed by environmental, social and governance (ESG) metrics. Company commitments to transparency and accountability through the EITI, as well as EITI disclosures, can contribute to the evolving framework for ESG reporting and complement other data published by companies and investors.

To support this shift, the EITI has clarified and strengthened the Expectations for EITI supporting companies and is undertaking regular assessments of company adherence. Data from these assessments can contribute to ESG performance and measurement.

Reviewing company adherence

A 2021 review of company adherence to the Expectations found that all but two companies had made public declarations of support for the EITI, and some had gone further to explain their role in promoting transparency in all countries in which they operate. All EITI supporting companies had disclosed taxes and payments made to EITI implementing countries where they operate, while nearly two thirds had also disclosed payments to non-EITI implementing countries.

Practices in relation to procurement processes were varied, with some companies providing significant information on procurement processes, including policies on local content, sustainable supply chains, conduct and expectations. All but one EITI supporting company has published a report on sustainability, corporate social responsibility, or ESG that presents the company's approach to delivering natural resources in a manner that benefits societies and communities. A second assessment of company adherence to the Expectations is underway.

Understanding how the EITI benefits companies

A 2022 independent study found that supporting the EITI can benefit extractive companies and investors in multiple ways. Companies that engage with the EITI Principles and reporting framework, either as an EITI supporting company or a company reporting at country level, may benefit from improved internal processes and decision-making; better resource governance in countries with high resource potential and high governance risk; ease of compliance with other transparency and disclosure standards; and building and improving trust with stakeholders to mitigate operational risks. Where companies seek to develop assets in high-risk jurisdictions, EITI project-level disclosures enable investors and customers to verify payments to government and companies' operational practices. Companies may also improve their understanding of resource management through participation in the EITI's multi-stakeholder platform.



Chrome mine in Albania.

Publishing open data

Making data more accessible, usable and timely

Usable, accessible and up-to-date data that is routinely published by government agencies and extractive companies is gradually replacing retrospective reporting and can help inform more timely decision-making, analysis and public debate. By publishing open data, multi-stakeholder groups can shift their role from producing reports to using and analysing data and disseminating key findings.

To support this shift, the EITI is developing a data strategy that responds to the needs of diverse stakeholders. The strategy envisions stronger support for countries to report data through government and company platforms in open format, and to use the data collected to inform debate and dialogue. These objectives are underpinned by the EITI Open data policy.

Open data strategy

The EITI's data strategy intends to promote a digital transformation of the EITI over the coming six years. It has three objectives: first, to accelerate the generation of timely, systematic disclosures at source; second, to improve the quality, availability and accessibility of structured open data in ways that meet the needs of key audiences; and finally, to catalyse the use of EITI disclosures for strategic purposes. These objectives aim to shift the focus from generating data to supporting more impactful EITI implementation by making EITI data more accessible and useful.

When data is published in open format, it can be visualised and analysed. This type of data analysis can inform decisions, identify corruption risks and build knowledge about the extractive sector, such as who the main recipients of revenues are. In doing so, implementing countries and other key audiences can leverage data to make the EITI's outcomes and impacts stronger and more tangible.



Stakeholders discuss opportunities and challenges around accessing data at an Opening Extractives workshop in Ghana.

PHOTO CREDIT: GHANA EITI

Measuring impact

Monitoring outcomes from EITI implementation

Driving impact is key to sustain financial support and promote learning. In 2022, the EITI commissioned an independent evaluation to assess its relevance, effectiveness, impact and sustainability. It has also streamlined its key performance indicators (KPIs) and committed to develop a measurement framework that can be adapted by implementing countries.

The EITI is following up on the recommendations of the independent evaluation and is providing support to multi-stakeholder groups on embedding an approach of monitoring, evaluation and learning (MEL) in their work planning. Moving forward, the EITI will build on the results of the independent evaluation to understand how it can continue to maintain its relevance and strengthen its impact in the face of an evolving global energy landscape.

Key findings from the independent evaluation

The recent evaluation found that the EITI's multi-stakeholder model is valuable to national extractives governance and that EITI implementation contributes to increased transparency, civic participation and accountability, though challenges persist

in some countries. While the EITI was generally deemed effective, relevant and sustainable, relevance varies across implementing countries, and is strengthened by stable political environments as well as supportive policy and legislation.

The evaluation identified transparency and accountability as significant impacts of the EITI, with the potential for broader governance impacts. However, improvements to extractives governance were not consistently reported across all countries that were studied. Earmarked national budget allocation was considered the most sustainable funding model for EITI implementation, but funding challenges affect some countries' ability to meet newer provisions of the EITI Standard.

Redesigning the EITI's key performance indicators

In 2018, the EITI introduced a set of KPIs to measure and monitor the effectiveness of the EITI's international management. These indicators also considered Validation results to measure the effectiveness of EITI implementation at the country level. In 2023, the EITI Board agreed on new KPIs that are more fit for purpose and will function as accountability and oversight tools moving forward. These indicators focus on performance against work plans, updated Validation metrics, global indicators (for example on civic space), company engagement and satisfaction surveys.



A mining community in Togo meets to discuss findings from EITI reporting.

PHOTO CREDIT: IITE TOGO

PARTNERSHIPS & SUPPORTERS

The EITI's success depends on partnerships with like-minded organisations and donors. Project-specific funding and collaboration with multilateral organisations and institutions enable the EITI to advance and scale priority policy areas and support implementation of the EITI Standard.



EITI
Extractive Industries
Transparency Initiative

**OPEN DATA
BUILD TRUST**

OUVRIR LES DONNÉES
RENFORCER LA CO

ABRIENDO DATOS
CONSTRUYEN

ОТКРЫТЫЕ ДА
ДЛЯ УКРЕПЛЕН

**PITCH
CORNER**



Partnerships

Working together for a transparent and accountable extractive sector

Since its inception, the EITI has been supported by a diverse group of stakeholders who are committed to promoting extractives transparency. This includes companies, supporting governments and institutions, international civil society organisations, multilateral organisations, foundations and think tanks. Thanks to this collaborative approach, the EITI has been able to make significant progress in strengthening transparency, accountability and good governance in the extractive sector, ultimately contributing to greater trust among stakeholders, increased revenue management and more sustainable development outcomes.

African Development Bank

The African Development Bank (AfDB) has supported EITI implementation in several countries across Africa through technical assistance, capacity building and financial support. The EITI and AfDB have also collaborated on initiatives to promote beneficial ownership disclosure, support the development of legal frameworks for extractives governance, and address the social and environmental impacts of extractive activities.

Asian Development Bank

The Asian Development Bank (ADB) has supported EITI implementation in several countries across Asia and the Pacific through technical assistance, capacity building and financial support. The EITI and ADB have also collaborated on initiatives to promote beneficial ownership disclosure, support the development of legal frameworks for extractives governance, and address the social and environmental impacts of extractive activities.

BHP Foundation

As an anchor funder of the Opening Extractives programme, the BHP Foundation provides sustained, multi-year support to deliver transformative change in beneficial ownership transparency. Through the programme, the EITI and Open Ownership provide technical assistance and support reforms in selected countries to support the availability and use of beneficial ownership data.

Chatham House

Chatham House's Energy, Environment and Resources Programme has worked closely with the EITI International Secretariat on research into how the EITI could approach energy transition and climate change in its work at a global level. This collaboration has involved hosting and facilitating events, as well as producing papers.

Ford Foundation

The Ford Foundation has supported the EITI through various grants and initiatives, including a civil society mapping process to improve links with civil society organisations. This research informed the design of a project implemented in Colombia, Ghana and Indonesia – Engaging communities in a just transition – which aims to provide civil society and national multi-stakeholder groups with a better understanding of how the energy transition impacts livelihoods and the extractive sector.

Global Witness

As co-founders of the Publish What You Pay campaign, Global Witness has been involved in the EITI since its inception. It has contributed to the EITI's international management through its participation in the EITI Board, and works with partners in EITI countries through its participation in multi-stakeholder groups. Global Witness has played an important role in advocating for greater transparency and demanding reform.

ICMM

Company members of ICMM are also EITI supporting companies. Representatives from ICMM member companies sit on the EITI Board and many are active participants on national multi-stakeholder groups. In countries that do not implement the EITI, ICMM advocates for the constructive engagement of mining companies in appropriate forums to improve the transparency of mineral revenues, in line with ICMM's Position Statement on Transparency of Mineral Revenues.

Inter-American Development Bank

The Inter-American Development Bank (IDB) has supported EITI implementation in several countries in Latin America and the Caribbean through technical assistance, capacity building and financial support. The EITI and IDB have also collaborated on initiatives to promote beneficial ownership disclosure and support the development of legal frameworks for extractives governance.

Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development

The EITI and the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF) have collaborated on various initiatives, including capacity building for EITI implementation in IGF member countries; promotion of best practices in resource management and revenue transparency; and the development of tools and guidance on issues such as local content, gender and environmental management.

International Center for Not-for-Profit Law

The International Center for Not-for-Profit Law (ICNL) has worked with EITI's partner Publish What You Pay to provide input into the EITI Board's 2020 review of the Validation process, particularly with respect to the assessment of the EITI's requirement on civil society participation. It has also provided advice and input relating to the environment for civil society engagement in EITI implementing and candidate countries.

International Organization of Supreme Audit Institutions

The EITI and the International Organization of Supreme Audit Institutions (INTOSAI) have collaborated to promote transparency and accountability in the management of natural resource revenues by supporting the role of Supreme Audit Institutions (SAIs) in EITI implementing countries. This collaboration has included joint research and advocacy efforts, as well as capacity building and technical assistance to support the role of SAIs in the implementation and monitoring of the EITI Standard.

Natural Resource Governance Institute

The Natural Resource Governance Institute (NRGI) has provided technical assistance and support to EITI implementing countries, helping them to strengthen their governance frameworks and improve their resource management practices. The EITI and NRGI have also worked together to develop and promote best practices for transparency and accountability in the extractive industries, including on beneficial ownership disclosure, contract transparency, anti-corruption, energy transition and revenue management.

Open Government Partnership

Since its inception, the Open Government Partnership (OGP) has encouraged its resource-rich members to commit to joining the EITI. Several countries have integrated the EITI into their OGP national action plans, including commitments on disclosing contracts, licenses and beneficial ownership information related to the extractive sector. An OGP survey conducted in 2019 identified potential to further strengthen complementarities in countries that are members of both OGP and the EITI.

Open Ownership

Open Ownership has been working with the EITI since 2017 to deliver beneficial ownership transparency reforms and has participated in EITI conferences, workshops and EITI Board meetings. In 2021, Open Ownership and the EITI jointly launched the Opening Extractives programme that engages selected countries in implementing beneficial ownership reforms and aims to transform the availability and use of beneficial ownership data.

Organisation for Economic Co-operation and Development

The EITI and the Organisation for Economic Co-operation and Development (OECD) have worked together on various initiatives, including the development of the EITI Standard and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. The EITI and OECD have jointly organised events and workshops to promote dialogue and cooperation on key issues in the extractive industries. Through their collaboration, the EITI and OECD have helped to promote responsible business conduct and sustainable development in the extractive industries at the global level.

Oxfam

Oxfam has collaborated with the EITI in a variety of ways. It has engaged rigorously on the adoption of the EITI's requirements on contracts and gender, and also advocated for the role of the EITI in the face of civic space restrictions. Moreover, Oxfam supports local implementation and national multi-stakeholder groups, for example in Uganda.

Publish What You Pay

As the designated civil society focal point, Publish What You Pay (PWYP) coordinates the EITI's civil society constituency and assists civil society EITI Board members in delivering on their strategic guidance and policymaking functions. Working in most EITI implementing countries, PWYP collaborates regularly with the EITI on events and projects to advance the natural resource governance agenda. PWYP has played a crucial role in advocating for greater transparency, analysing data and demanding reform.

Tax Justice Network Africa

Tax Justice Network Africa (TJNA) engages with the EITI through conferences, workshops, informal meetings and dialogues. TJNA uses the EITI framework to promote accountability on strengthening tax linkages and curbing illicit financial flows from the extractive sector.

Transparency International

Transparency International and the EITI have organised joint events on beneficial ownership transparency, gender and corruption, and worked together to engage the industry in responsible business conduct. Transparency International has also provided briefings on how its Mining Awards Corruption Risk Assessment tool can complement EITI implementation. Through its national chapters, Transparency International also participates in multi-stakeholder groups.

World Bank

Responding to calls from the G8 and others to provide technical support to governments adopting transparency policies, a World Bank Multi-Donor Trust Fund (MDTF) was established in 2004. As the most important source of external financial support for EITI implementation, the trust fund disbursed almost USD 60 million in technical and financial assistance to EITI programmes in over 40 countries before being replaced by the Extractives Global Programmatic Support (EGPS) facility in 2016. The EGPS continues to support countries' efforts to implement the EITI under its revenue transparency component.

Other standard-setting bodies

Over the years, the EITI has been referenced or integrated in other international standards and certification schemes, including the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas; the ICMM member obligations; the Global Reporting Initiative (GRI) Sector Standards on oil, gas and mining; the Initiative for Responsible Mining Assurance (IRMA); The Copper Mark's Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc; and the Aluminium Stewardship Initiative (ASI) Standards.

Ore containing copper,
cobalt and nickel.



Supporting countries and project funding

Our supporting countries are committed to contributing to EITI management and implementation through financial, technical and political support. Supporting countries are represented on the EITI Board and contribute financially on an annual or multi-year basis to support the EITI's international management. Many also contribute to project-specific funding or national EITI implementation.

Foreign, Commonwealth and Development Office (United Kingdom)

Previously the Department for International Development (DFID), the UK's Foreign, Commonwealth and Development Office (FCDO) has provided financial support to the EITI and the World Bank EGPS Multi-Donor Trust Fund, as well as broader support through global initiatives and country-level programmes. DFID was also an early pioneer of the EITI when it convened the first EITI meeting of civil society, company and government representatives in 2003, where stakeholders agreed that a reporting standard should be developed.

European Union

The European Union, represented by the European Commission, supports the EITI through funding to the EITI's international management and to local programmes in its implementing countries. The EU's multi-year funding supports EITI implementing countries to achieve inclusive and sustainable economic growth and strengthen domestic resource mobilisation. It also supports the EITI International Secretariat in its technical assistance to stakeholders and countries on implementation of the EITI Standard.

Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (Germany)

Through the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Germany has been integral to the EITI through its political, financial and technical support. This has included assisting national EITI processes in more than 30 partner countries through bilateral and regional programmes. It has also engaged in the EITI's international governance and contributed to the World Bank EGPS Multi-Donor Trust Fund to support EITI implementation.

Global Affairs Canada (Canada)

Through Global Affairs Canada, Canada has supported the EITI through bilateral and multilateral funding. It provided financial support to the EITI through the World Bank EGPS Multi-Donor Trust Fund, the Inter-American Development Bank and bilateral funding. It has also supported the implementation of the EITI Standard in several countries, including Indonesia, Mongolia, Mozambique and Uganda, and supports the EITI's work on gender.

State Secretariat for Economic Affairs (Switzerland)

Switzerland has supported the EITI as part of its foreign economic policy since 2009. Through the State Secretariat for Economic Affairs (SECO), Switzerland has provided project-specific funding for the EITI's work on commodity trading transparency since 2019. It has also engaged with the EITI Working Group on Commodity Trading since it was formed in 2015.

United States Agency for International Development (United States)

The United States Agency for International Development (USAID) has supported the EITI since its inception, including through support to the World Bank EGPS Multi-Donor Trust Fund between 2006 and 2012 and direct funding to the EITI's international management. USAID's bilateral support has strengthened EITI implementation and country-level work on anti-corruption, domestic resource mobilisation, contract transparency and energy transition through technical studies and workshops.

Norwegian Ministry of Foreign Affairs (Norway)

As both a supporting and implementing country, Norway has been a steadfast supporter of the EITI since its creation. In 2007, the Norwegian government agreed to host the EITI International Secretariat, which has been headquartered in Oslo ever since. Norway has also provided support to EITI implementing countries, primarily through the Norwegian Agency for Development Cooperation (Norad) and the Oil for Development programme, which aimed to aid countries in their effort to manage petroleum resources in a sustainable manner.

We are grateful for the steadfast support from our donors, in particular from our supporting countries and foundations for their core multi-year and project grants:



Design by Parker Design

All information herein is from the EITI unless otherwise indicated and is current as of 30 April 2023.



Extractive Industries Transparency Initiative

We believe that a country's natural resources belong to its citizens. Our mission is to promote understanding of natural resource management, strengthen public and corporate governance and provide the data to inform greater transparency and accountability in the extractive sector.

> eiti.org