

# EITI ANNUAL ACCOUNTS 2012

## **EITI International Secretariat**

April 2013

Oslo, 10

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## **EITI ANNUAL ACCOUNTS 2012**

## 1 2012 Annual Accounts

The EITI annual accounts for 2012 were received from the Auditors, MGI Revisjon, on 8 April 2013.

This paper presents the Board with a set of audited accounts for the period 1 January to 31 December 2012. The Finance Committee notes that in 2012, revenue exceeded expenditure by US\$ 0.9m and that the financial affairs at the Secretariat were healthy.

The Secretariat carried over US\$1.2m from 2011 to 2012. This included a reserve fund of US\$0.5m that was set aside to cater for fluctuations in the exchange rate and uncertainties in some major funding streams. This reserve had been agreed by the Board in 2010<sup>1</sup>.

For 2012, the EITI Board approved a budget of US\$3.7m. Expenditure in 2012 was US\$4.0m (a 10% overspend) against an income of US\$4.9m (35% above forecast) which included both 2011(US\$0.1m) and 2013 (US\$0.3m) funding received in 2012 (see table 2 below).

The overspend was first brought to the attention of the Board at the 22<sup>nd</sup> Board meeting held in Oslo in February 2013 having been flagged to the Finance Committee through the half-year accounts. The Secretariat will continue to give timely notice to the Board on any foreseen over-expenditure.

On 31 December 2012, the Secretariat had a balance of US\$2.1m. This includes the amount carried over at the end of 2011 and the reserve.

While expenditure figures for 2012 were significantly higher than the amount budgeted for, the Secretariat raised more funding than originally foreseen, and realised US\$4.9m in revenue compared to US\$4.8m in 2011

The financial status of the EITI International Status for 2012 is briefly summarised in Table 1 below.

Revenue and Expend	iture 2012 (US\$)										
(2012 budget: 3 650 00	(2012 budget: 3 650 000)										
Revenue Expenditure											
Carry over from 2011	1 248 831										
of which reserve	500 000										
balance	748 831										
2012 revenue	4 920 795 <sup>[1]</sup>	2012 expenditure	4 016 681 <sup>[2]</sup>								

#### Table 1: Revenue and Expenditure January-December 2012

<sup>&</sup>lt;sup>1</sup> The annual reserve does not equal exactly \$500,000 because it was established in Norwegian Kroner (NOK2.7m). The reserve has subsequently appreciated to US\$509,434.

TOTAL	6 169 626	4 016 681
Bank Balance as at (including reserve)	31 Dec 2012	2 152 945

Table 1 above shows that:

- 1. As at 31 December 2012, the International Secretariat had a cash balance of US\$2.2m of which US0.5m was the reserve.
- 2. Revenue (US\$4.9m) exceeded the budgeted amount of US\$3.7m by 35%.
- 3. Expenditure (US\$4.0m) exceeded the budgeted amount of US\$3.7m by 10%.

### 2 2012 Revenue

The EITI received US\$4.9m in 2012 compared to US\$4.8m in 2011 including parallel funding from Chevron towards the EITI Global Conference and funding for the calendar years 2011 and 2013 received in 2012. This exceeded the forecast income of \$3.6m by 35%. As agreed by the Board, the International Secretariat sent out its funding requests in line with the financing formula agreed at the Berlin Board meeting in April 2007. Table 3 breaks down the contributions by type of stakeholder.

	2008	2009	2010	2011	2012	2012	% of 2012budget				
Source	Actuals Budget										
Core contribution, Government of Norway											
Government of Norway	500 000	560 000	602 654	669 442	583 333	600 000	97 %				
Supporting countrie	es, Internationa	l Development	Agencies (IDAs)	) and NGOs (app	proximately 50%	6 of remaining requirement)					
Civil society	130 109	0	0	0	0	75 000	0 %				
Supporting countries & IDAs	939 018	2 034 945	1 328 431	2 317 486	2 436 056 <sup>2</sup>	1 450 000	168 %				
Private sector (approximately 50% of remaining requirement)											
Investors	10 942	9 763	4 180	14 355	12 537 <sup>3</sup>	50 000	25 %				

#### Table 2: Revenue 2008 – 2012 broken down by constituency

<sup>2</sup> 2013 funding from AusAid, Australia was received in 2012.

3 The Secretariat continues to work closely with the investors to work out how best the budgeted amounts can be achieved.

Oil and Gas (2/3 after investors)	755 562	882 879	748 615	1 003 330	1 253 764 <sup>4</sup>	983 334	128 %
Mining and Minerals (1/3 after investors)	274 436	441 440	129 960	816 439	635 104	491 666	129 %
TOTAL REVENUES (excluding reserve)	2 610 067	3 929 027	2 813 840	4 821 052	4 920 795	3 650 000	135 %

In total, 54 organisations contributed to the EITI International Management in 2012 compared to 43 in 2011 (see table 4). The first column shows the exact amount disbursed and the currency it was received in. The second column shows that exact amount received. The third column shows the amount received based on the average exchange rate for 2012 (1US\$=6.0 NOK)<sup>5</sup> for accounting purposes.

The Table below sets out the revenue of the EITI International Secretariat in the period January– December 2012. Funding raised in 2012 exceeded the budgeted amount by 35%.

FUNDING RECEIVED - January - December								
2012 (US\$)								
Received from	Actual	Amount (NOK)	Amount (US\$)					
Governments, Civil Society & Internation	al Dev. Agencies							
AusAid - Australia	€ 281 505	2 128 782	354 797					
AusAid – Australia (2013_	€300 000	2 194 878	365 813					
MFA - Denmark	DKK 1 500 000	1 470 650	245 108					
BMZ - Germany	€190 000	1 407 500	234 583					
MFA - Norway	NOK 3 500 000	3 500 000	583 333					
MFA - Netherlands	\$250 000	1 418 025	236 338					
SIDA - Sweden	SEK 2 500 000	2 112 400	352 067					
SECO - Switzerland	\$160 000	919 840	153 307					
NRCan - Natural Resources Canada	CAD\$150 000	857 785	142 964					
DFID - UK	£230 000	2 106 475	351 079					
Total revenue from Govt's, CSO and I	nt. Dev. Agencies	18 116 334	3 019 389					
		Institut	ional Investors					
Allianz Global France	\$2 000	11 472	1 912					
ATP Denmark	\$2 000	12 120	2 020					
Canada Pension Plan	\$2 000	11 456	1 909					
FT Management	\$2 500	14 144	2 357					

#### Table 3: Revenue 2012

4 10 new companies joined the EITI as supporters in 2012. Some 2011 and 2013 funding from companies were received in 2012.

5 Average Rate for 2012: 1USD=6,0 NOK

Source: <u>http://www.xe.com/currencytables/?from=USD&date=2012-06-30</u>

Sitching Ned. Inst. Int.         € 400         2 926         448           Total revenue from Institutional Investors in 2012         75 223         12 53           Companies	NAMF Mauritius	\$2 000	11 825	1 971
Total revenue from Institutional Investors in 2012         75 223         12 53           Companies         01 & Gas         560 000         339 980         56 66           BG International         £30 000         273 481         45 56           Chevron         \$60 000         340 200         56 70           Chevron - Global Conference         \$50 000         335 484         55 91           DONG E P         \$10 000         55 223         9 20           ENI SPA         \$60 000         348 833         58 13           Eramet         \$20 000         116 420         19 44           Exxon Mobil         \$60 000         348 833         58 80           Galp Energia         \$20 000         112 882         18 81           GDF Suez         \$20 000         114 220         19 02           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         950           Kosmos Energy         \$10 000         59 951         980           Marathon Oil (2011)         \$60 000         335 484         55 91           Norsk Hydro         \$10 000	PS Eft Payments	\$2 000	11 280	1 880
Companies           Oil & Gas           BG International         \$60 000         339 980         56 66           BP International         £30 000         273 481         45 55           Chevron         Global Conference         \$50 000         340 200         56 70           Chevron – Global Conference         \$50 000         335 484         55 91           DONG E P         \$10 000         55 223         9 20           ENI SPA         \$60 000         348 833         58 13           Eramet         \$20 000         116 420         19 44           Exxon Mobil         \$60 000         348 053         58 00           Galp Energia         \$20 000         114 220         19 00           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         9 50           Kosmos Energy         \$10 000         59 261         9 87           Marathon Oil         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 245         59 37           Norsk Hydro         \$10 000         59 931	Stitching Ned. Inst. Int.	€ 400	2 926	488
Oil & Gas           BG International         \$60 000         339 980         56 66           BP International         £30 000         273 481         45 55           Chevron         \$60 000         340 200         56 70           Chevron – Global Conference         \$50 000         283 315         47 21           ConcocPhillips         \$60 000         335 484         55 91           DONG E P         \$10 000         55 223         9 20           ENI SPA         \$60 000         348 833         58 13           Framet         \$20 000         116 420         19 40           Exxon Mobil         \$60 000         348 933         58 00           Galp Energia         \$20 000         114 282         18 00           GDF Suez         \$20 000         114 220         19 02           Glencore         \$60 000         349 38         58 15           Hess Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         95 52           Marsthon Oil (2011)         \$60 000         332 994         55 44           Marsthon Oil         \$60 000         332 994         55 45           Marstho Oil (2011)	Total revenue from Institutional In	vestors in 2012	75 223	12 537
BG International         \$60 000         339 980         56 66           BP International         £30 000         273 481         45 56           Chevron         \$60 000         340 200         56 70           Chevron – Global Conference         \$50 000         283 315         47 21           ConcoPhillips         \$60 000         335 484         55 91           DONG E P         \$10 000         55 223         9 20           ENI SPA         \$60 000         348 833         58 13           Eramet         \$20 000         116 420         19 42           Exxon Mobil         \$60 000         348 053         58 00           Galp Energia         \$20 000         112 882         18 81           GDF Suez         \$20 000         114 220         19 03           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         9 50           Kosmos Energy         \$10 000         57 003         9 56           Marathon Oil         \$60 000         335 944         55 93           Norsk Hydro         \$10 000         59 931         9 98 </td <td>Companies</td> <td></td> <td></td> <td></td>	Companies			
BP International         £30 000         273 481         45 56           Chevron         \$60 000         340 200         56 70           Chevron – Global Conference         \$50 000         335 484         55 91           DONG E P         \$10 000         55 223         9 20           ENI SPA         \$60 000         348 833         58 13           Eramet         \$220 000         116 420         19 44           Exxon Mobil         \$60 000         348 833         58 13           GDF Suez         \$20 000         114 820         19 90           Glencore         \$60 000         348 938         58 16           Hess Corporation         \$60 000         348 938         58 15           Inpex Corporation         \$60 000         348 938         58 16           Mess Corporation         \$60 000         342 810         57 13           Inpex Corporation         \$60 000         335 94         55 84           Marathon Oil         \$60 000         335 93         99 92           Kosmos Energy         \$10 000         57 93         99 92           Nork Hydro         \$10 000         59 931         99 92           Pacific Stratus Energy         \$35 000         364 3	Oil & Gas			
Chevron         \$60 000         340 00         56 77           Chevron – Global Conference         \$50 000         283 315         47 21           ConocoPhillips         \$60 000         335 484         55 91           DONG E P         \$10 000         55 223         9 20           ENI SPA         \$60 000         348 833         58 13           Eramet         \$20 000         116 420         19 40           Exxon Mobil         \$60 000         348 053         58 00           Galp Energia         \$20 000         112 882         18 81           GDF Suez         \$20 000         114 220         19 03           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         58 44           Marathon Oil         \$60 000         335 294         55 44           Marathon Oil         \$60 000         335 294         55 44           Marathon Oil         \$60 000         335 294         55 44           Marathon Oil         \$60 000         345 260 07         5	BG International	\$60 000	339 980	56 663
Chevron – Global Conference         \$50 000         283 315         47 21           ConocoPhillips         \$60 000         335 484         55 91           DONG E P         \$10 000         55 223         9 20           ENI SPA         \$60 000         348 833         58 13           Eramet         \$20 000         116 420         19 40           Exon Mobil         \$60 000         348 053         58 00           Galp Energia         \$20 000         112 882         18 81           GDF Suez         \$20 000         114 220         19 03           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         348 938         58 15           Ipex Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 44           Marathon Oil & Gas         \$60 000         335 484         55 91           Nork Hydro         \$10 000         59 931         998           Pacific Stratus Energy         \$35 000         364 325         60 72           Repsol         \$10 000         58 798	BP International	£30 000	273 481	45 580
ConocoPhillips         \$60 000         335 484         55 91           DONG E P         \$10 000         55 223         9 20           ENI SPA         \$60 000         348 833         58 13           Framet         \$20 000         116 420         19 40           Exxon Mobil         \$60 000         348 053         58 00           Galp Energia         \$20 000         112 882         18 81           GDF Suez         \$20 000         114 220         19 03           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         348 938         58 15           KOGAS         \$10 000         57 03         9 50           Kosmos Energy         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 84           Marathon Oil & Gas         \$60 000         335 094         55 84           Marathon Oil & Gas         \$60 000         335 993         980           Norsk Hydro         \$10 000         59 931         996           Petrobras         \$60 000         345 270         57 54           Repsol         \$10 000         58 998         980	Chevron	\$60 000	340 200	56 700
DONG E P         \$10 000         55 223         9 22           ENI SPA         \$60 000         348 833         58 13           Eramet         \$20 000         116 420         19 40           Exxon Mobil         \$60 000         348 053         58 00           Galp Energia         \$20 000         112 882         18 81           GDF Suez         \$20 000         114 220         19 03           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         9 50           Kosmos Energy         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 48           Marathon Oil         \$60 000         335 294         55 45           Marathon Oil & Gas         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 931         9 96           Petrobras         \$60 000         343 25         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         343 319         57 15 </td <td>Chevron – Global Conference</td> <td>\$50 000</td> <td>283 315</td> <td>47 219</td>	Chevron – Global Conference	\$50 000	283 315	47 219
ENI SPA         \$60 000         348 833         58 13           Eramet         \$20 000         116 420         19 40           Exxon Mobil         \$60 000         348 053         58 00           Galp Energia         \$20 000         112 882         18 81           GDF Suez         \$20 000         114 220         19 03           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         9 50           KogAS         \$10 000         57 003         9 55           KogAS         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         332 994         55 48           Marathon Oil         \$60 000         335 484         55 91           Nosk Hydro         \$10 000         59 931         9 96           Petrobras         \$60 000         343 190         57 15           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 738         9 60           <	ConocoPhillips	\$60 000	335 484	55 914
ENI SPA         \$60 000         348 833         58 13           Eramet         \$20 000         116 420         19 40           Exxon Mobil         \$60 000         348 053         58 00           Galp Energia         \$20 000         112 882         18 81           GDF Suez         \$20 000         114 220         19 03           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 03         95           KogAS         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 48           Marathon Oil         \$60 000         332 994         55 45           Marathon Oil         \$60 000         335 044         55 91           Nosk Hydro         \$10 000         59 931         9 96           Petrobras         \$60 000         343 190         57 15           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 788         9 80	DONG E P	\$10 000	55 223	9 204
Exxon Mobil         \$60 000         348 053         58 00           Galp Energia         \$20 000         112 882         18 81           GDF Suez         \$20 000         114 220         19 03           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         349 938         58 15           Inpex Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         9 50           Kosmos Energy         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 84           Marathon Oil         \$60 000         332 294         55 45           Mærsk Oil & Gas         \$60 000         335 094         55 84           Marsthon Oil         \$60 000         335 931         9 98           Pacific Stratus Energy         \$10 000         59 931         9 98           Pacific Stratus Energy         \$35 000         343 25         60 72           Repsol         \$10 000         60 002         10 000         56 93           Shell International         \$60 000         343 190         57 15           Talisman Energy <t< td=""><td>ENI SPA</td><td>\$60 000</td><td>348 833</td><td>58 139</td></t<>	ENI SPA	\$60 000	348 833	58 139
Galp Energia         \$20 000         112 882         18 81           GDF Suez         \$20 000         114 220         19 03           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         348 938         58 15           Inpex Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         9 50           Kosmos Energy         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 84           Marathon Oil (2011)         \$60 000         332 994         55 45           Mærsk Oil & Gas         \$60 000         335 484         55 91           Noble Energy Inc.         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 931         9 96           Petrobras         \$60 000         343 25         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         343 784	Eramet	\$20 000	116 420	19 403
GDF Suez         \$20 000         114 220         19 03           Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         359 750         59 95           Inpex Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         9 50           Kosmos Energy         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 84           Marathon Oil         \$60 000         332 994         55 45           Mærsk Oil & Gas         \$60 000         335 6258         59 37           Noble Energy Inc.         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 931         9 96           Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         343 784         57 25           Total revenue from Oil & Gas companies in 2012         7 522 587 </td <td>Exxon Mobil</td> <td>\$60 000</td> <td>348 053</td> <td>58 009</td>	Exxon Mobil	\$60 000	348 053	58 009
Glencore         \$60 000         348 938         58 15           Hess Corporation         \$60 000         359 750         59 95           Inpex Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         9 50           Kosmos Energy         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 84           Marathon Oil         \$60 000         332 994         55 49           Marathon Oil         \$60 000         335 094         55 84           Marathon Oil         \$60 000         335 094         55 49           Marathon Oil         \$60 000         335 294         55 49           Maresk Oil & Gas         \$60 000         335 294         55 49           Maresk Oil & Gas         \$60 000         335 44         55 91           Norsk Hydro         \$10 000         59 331         998           Pacific Stratus Energy         \$35 000         196 509         32 75           Petrobras         \$60 000         344 325         60 72           Repsol         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         343 784	Galp Energia	\$20 000	112 882	18 814
Hess Corporation         \$60 000         359 750         59 95           Inpex Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         9 50           Kosmos Energy         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 84           Marathon Oil         \$60 000         332 994         55 49           Marathon Oil         \$60 000         332 994         55 49           Marathon Oil         \$60 000         335 094         55 49           Marathon Oil         \$60 000         335 484         55 91           Noble Energy Inc.         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 31         9 98           Pacific Stratus Energy         \$35 000         196 509         32 75           Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 000           Shell International         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         343 78	GDF Suez	\$20 000	114 220	19 037
Inpex Corporation         \$60 000         342 810         57 13           KOGAS         \$10 000         57 003         9 50           Kosmos Energy         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 84           Marathon Oil         \$60 000         332 994         55 49           Marathon Oil         \$60 000         332 994         55 49           Marathon Oil         \$60 000         335 094         55 84           Marathon Oil         \$60 000         332 994         55 49           Marsk Oil & Gas         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 931         9 92           Pacific Stratus Energy         \$35 000         196 509         32 75           Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         246 350         47 72           Total revenue from Oil & Gas companies in 2012         7 5	Glencore	\$60 000	348 938	58 156
KOGAS         \$10 000         57 003         9 50           Kosmos Energy         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 84           Marathon Oil         \$60 000         332 994         55 45           Marathon Oil         \$60 000         332 994         55 45           Marsk Oil & Gas         \$60 000         332 994         55 45           Mærsk Oil & Gas         \$60 000         335 625         59 37           Noble Energy Inc.         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 931         9 96           Pacific Stratus Energy         \$35 000         196 509         32 75           Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         343 784         57 29           Tullow Group         £30 000         268 746         44 79           Total revenue from Oil & Gas companies in 2012	Hess Corporation	\$60 000	359 750	59 958
Kosmos Energy         \$10 000         59 261         9 87           Marathon Oil (2011)         \$60 000         335 094         55 84           Marathon Oil         \$60 000         332 994         55 45           Marathon Oil         \$60 000         332 994         55 45           Marathon Oil         \$60 000         332 994         55 45           Marsk Oil & Gas         \$60 000         335 6258         59 37           Noble Energy Inc.         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 931         9 98           Pacific Stratus Energy         \$35 000         196 509         32 75           Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         286 350         47 72           TOTAL         \$10 000         58 785         9 56           Base Titanium         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         57 3	Inpex Corporation	\$60 000	342 810	57 135
Marathon Oil (2011)         \$60 000         335 094         55 84           Marathon Oil         \$60 000         332 994         55 49           Mærsk Oil & Gas         \$60 000         356 258         59 37           Noble Energy Inc.         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 931         9 98           Pacific Stratus Energy         \$35 000         196 509         32 75           Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         343 190         57 19           Total revenue from Oil & Gas companies in 2012         7 522 587         1 253 76           Mineral & Mining         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         55 508         9 25           De Beers         \$60 000         359 898         59 96           Base Titanium (2013)         \$10 000         57 785         9 56           Base Titanium (2013)	KOGAS	\$10 000	57 003	9 500
Marathon Oil         \$60 000         332 994         55 49           Mærsk Oil & Gas         \$60 000         356 258         59 37           Noble Energy Inc.         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 931         9 98           Pacific Stratus Energy         \$35 000         196 509         32 75           Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 86           TOTAL (2011)         \$50 000         343 784         57 29           Tullow Group         £30 000         268 746         444 79           Total revenue from Oil & Gas companies in 2012         7 522 587         1 253 76           Mineral & Mining         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         55 508         9 25           De Beers         \$60 000         359 898         59 96           Dundee Precious Metal         \$10 000         57 795         9 66	Kosmos Energy	\$10 000	59 261	9 877
Mærsk Oil & Gas         \$60 000         356 258         59 37           Noble Energy Inc.         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 931         9 98           Pacific Stratus Energy         \$35 000         196 509         32 75           Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         345 270         57 54           Talisman Energy         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         268 350         47 72           TOTAL         \$50 000         343 784         57 29           Tullow Group         £30 000         268 746         44 79           Total revenue from Oil & Gas companies in 2012         7 522 587         1 253 76           Mineral & Mining         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         55 508         9 25           De Beers         \$60 000         359 898         59 96           Dundee Precious Metal         \$10 000 <td>Marathon Oil (2011)</td> <td>\$60 000</td> <td>335 094</td> <td>55 849</td>	Marathon Oil (2011)	\$60 000	335 094	55 849
Noble Energy Inc.         \$60 000         335 484         55 91           Norsk Hydro         \$10 000         59 931         9 96           Pacific Stratus Energy         \$35 000         196 509         32 75           Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         345 270         57 54           Talisman Energy         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         286 350         47 72           TOTAL         \$50 000         343 784         57 29           Tullow Group         £30 000         268 746         44 79           Total revenue from Oil & Gas companies in 2012         7 522 587         1 253 76           Mineral & Mining         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         55 508         9 25           De Beers         \$60 000         359 898         59 96           Dundee Precious Metal         \$10 000         56 798         9 46           Centera Gold Inc.         \$10 000 <td>Marathon Oil</td> <td>\$60 000</td> <td>332 994</td> <td>55 499</td>	Marathon Oil	\$60 000	332 994	55 499
Norsk Hydro         \$10 000         59 931         9 98           Pacific Stratus Energy         \$35 000         196 509         32 75           Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         345 270         57 54           Talisman Energy         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         286 350         47 72           TOTAL         \$50 000         343 784         57 29           Tullow Group         £30 000         268 746         44 79           Total revenue from Oil & Gas companies in 2012         7 522 587         1 253 76           Mineral & Mining         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         55 508         9 25           De Beers         \$60 000         359 898         59 96           Dundee Precious Metal         \$10 000         57 796         9 66	Mærsk Oil & Gas	\$60 000	356 258	59 376
Pacific Stratus Energy         \$35 000         196 509         32 75           Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         345 270         57 54           Talisman Energy         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         286 350         47 72           TOTAL (2011)         \$50 000         343 784         57 29           Tullow Group         £30 000         268 746         44 79           Total revenue from Oil & Gas companies in 2012         7 522 587         1 253 766           Mineral & Mining         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         57 385         9 56           De Beers         \$60 000         359 898         59 96           Dundee Precious Metal         \$10 000         56 798         9 46           Centera Gold Inc.         \$10 000         57 965         9 66	Noble Energy Inc.	\$60 000	335 484	55 914
Petrobras         \$60 000         364 325         60 72           Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         345 270         57 54           Talisman Energy         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         286 350         47 72           TOTAL (2011)         \$50 000         343 784         57 29           Tullow Group         £30 000         268 746         44 79           Total revenue from Oil & Gas companies in 2012         7 522 587         1 253 76           Mineral & Mining         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         55 508         9 25           De Beers         \$60 000         359 898         59 96           Dundee Precious Metal         \$10 000         56 798         9 46           Centera Gold Inc.         \$10 000         57 965         9 66	Norsk Hydro	\$10 000	59 931	9 989
Repsol         \$10 000         60 002         10 00           Shell International         \$60 000         345 270         57 54           Talisman Energy         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         286 350         47 72           TOTAL (2011)         \$50 000         286 350         47 72           TOTAL (2011)         \$50 000         286 376         44 79           Tullow Group         £30 000         268 746         44 79           Total revenue from Oil & Gas companies in 2012         7 522 587         1 253 76           Mineral & Mining         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         55 508         9 25           De Beers         \$60 000         359 898         59 96           Dundee Precious Metal         \$10 000         56 798         9 46           Centera Gold Inc.         \$10 000         57 965         9 66	Pacific Stratus Energy	\$35 000	196 509	32 751
Shell International         \$60 000         345 270         57 54           Talisman Energy         \$60 000         343 190         57 19           Timor Gap         \$10 000         58 798         9 80           TOTAL (2011)         \$50 000         286 350         47 72           TOTAL (2011)         \$50 000         343 784         57 29           TUIlow Group         £30 000         268 746         44 79           Total revenue from Oil & Gas companies in 2012         7 522 587         1 253 76           Mineral & Mining         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         57 385         9 56           De Beers         \$60 000         359 898         59 98           Dundee Precious Metal         \$10 000         57 796         9 46           Centera Gold Inc.         \$10 000         57 965         9 66	Petrobras	\$60 000	364 325	60 721
Talisman Energy       \$60 000       343 190       57 19         Timor Gap       \$10 000       58 798       9 80         TOTAL (2011)       \$50 000       286 350       47 72         TOTAL (2011)       \$50 000       343 784       57 29         TOTAL (2011)       \$50 000       343 784       57 29         TOTAL (2011)       \$50 000       343 784       57 29         TOTAL       \$50 000       343 784       57 29         Tullow Group       £30 000       268 746       44 79 <b>Total revenue from Oil &amp; Gas companies in 2012 7 522 587 1 253 76</b> Mineral & Mining       \$10 000       57 385       9 56         Base Titanium (2013)       \$10 000       55 508       9 25         De Beers       \$60 000       359 898       59 98         Dundee Precious Metal       \$10 000       56 798       9 46         Centera Gold Inc.       \$10 000       57 965       9 66	Repsol	\$10 000	60 002	10 000
Timor Gap       \$10 000       58 798       9 80         TOTAL (2011)       \$50 000       286 350       47 72         TOTAL (2011)       \$50 000       343 784       57 29         TOTAL       \$50 000       343 784       57 29         Tullow Group       £30 000       268 746       44 79         Total revenue from Oil & Gas companies in 2012       7 522 587       1 253 76         Mineral & Mining       \$10 000       57 385       9 56         Base Titanium (2013)       \$10 000       55 508       9 25         De Beers       \$60 000       359 898       59 96         Dundee Precious Metal       \$10 000       56 798       9 46         Centera Gold Inc.       \$10 000       57 965       9 66	Shell International	\$60 000	345 270	57 545
TOTAL (2011)       \$50 000       286 350       47 72         TOTAL (2011)       \$50 000       343 784       57 29         TOTAL       \$50 000       343 784       57 29         Tullow Group       £30 000       268 746       44 79         Total revenue from Oil & Gas companies in 2012       7 522 587       1 253 76         Mineral & Mining       \$10 000       57 385       9 56         Base Titanium (2013)       \$10 000       55 508       9 25         De Beers       \$60 000       359 898       59 98         Dundee Precious Metal       \$10 000       57 7965       9 66	Talisman Energy	\$60 000	343 190	57 198
TOTAL       \$50 000       343 784       57 29         Tullow Group       £30 000       268 746       44 79         Total revenue from Oil & Gas companies in 2012       7 522 587       1 253 76         Mineral & Mining       \$10 000       57 385       9 56         Base Titanium       \$10 000       55 508       9 25         De Beers       \$60 000       359 898       59 98         Dundee Precious Metal       \$10 000       57 7965       9 66	Timor Gap	\$10 000	58 798	9 800
Tullow Group       £30 000       268 746       44 79         Total revenue from Oil & Gas companies in 2012       7 522 587       1 253 76         Mineral & Mining        500       57 385       9 56         Base Titanium       \$10 000       57 385       9 56         De Beers       \$60 000       359 898       59 98         Dundee Precious Metal       \$10 000       57 796       9 66	TOTAL (2011)	\$50 000	286 350	47 725
Total revenue from Oil & Gas companies in 2012         7 522 587         1 253 76           Mineral & Mining         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         55 508         9 25           De Beers         \$60 000         359 898         59 98           Dundee Precious Metal         \$10 000         56 798         9 46           Centera Gold Inc.         \$10 000         57 965         9 66	TOTAL	\$50 000	343 784	57 297
Mineral & Mining           Base Titanium         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         55 508         9 25           De Beers         \$60 000         359 898         59 98           Dundee Precious Metal         \$10 000         56 798         9 46           Centera Gold Inc.         \$10 000         57 965         9 66	Tullow Group	£30 000	268 746	44 791
Base Titanium         \$10 000         57 385         9 56           Base Titanium (2013)         \$10 000         55 508         9 25           De Beers         \$60 000         359 898         59 98           Dundee Precious Metal         \$10 000         56 798         9 46           Centera Gold Inc.         \$10 000         57 965         9 66	Total revenue from Oil & Gas comp	panies in 2012	7 522 587	1 253 764
Base Titanium (2013)\$10 00055 5089 25De Beers\$60 000359 89859 98Dundee Precious Metal\$10 00056 7989 46Centera Gold Inc.\$10 00057 9659 66	Mineral & Mining			
De Beers         \$60 000         359 898         59 98           Dundee Precious Metal         \$10 000         56 798         9 46           Centera Gold Inc.         \$10 000         57 965         9 66	Base Titanium	\$10 000	57 385	9 564
Dundee Precious Metal         \$10 000         56 798         9 46           Centera Gold Inc.         \$10 000         57 965         9 66	Base Titanium (2013)	\$10 000	55 508	9 251
Centera Gold Inc. \$10 000 57 965 9 66	De Beers	\$60 000	359 898	59 983
	Dundee Precious Metal	\$10 000	56 798	9 466
ICMM £260 000 2 378 540 396 42	Centera Gold Inc.	\$10 000	57 965	9 661
	ICMM	£260 000	2 378 540	396 423

4

5

2012 Total Revenue 2012	29 524 770	635 104 4 920 795	
Total revenue from Mineral & Mining	3 810 625	635 10/	
Talas Copper Gold	\$10 000	55 352	9 225
RWE Aktiengesellschaft	\$35 000	209 650	34 942
RWE Aktiengesellschaft (2011)	\$30 000	178 590	29 765
Oki Tedi Mining Ltd.	\$10 000	58 014	9 669
London Mining PLC	\$10 000	56 625	9 438
Kinross Gold	\$50 000	286 300	47 717

The Finance Committee would like to bring the Board's attention to the following points:

- In 2012, the revenue of the International Management of the EITI amounted to US\$4.9m. This included some funding for activities in calendar years 2011 and 2013.
- Funding raised in 2012 exceeded the budgeted amount by 35%. Fundraising efforts saw 10 new companies join the EITI as supporters (Base Titanium, DONG, Kogas, Kosmos Energy, Inpex Corporation, London Mining, Oki Tedi Mining, Pacific Stratus, Talas Copper & Gold and Tullow Group).
- No new countries joined as supporters in 2012.
- Contributions from investors increased slightly but continue to be below the budget figure.
- As in previous years, no funding was received from civil society organisations

## 3 Expenditure 2012

In 2012, expenditure exceeded the budgeted amount by 10%. This is mainly due to the following:

- 2013 Conference expenses including deposits for the hotel and venue were paid for in 2012.
- Board meeting costs were higher than budgeted for the first two Board meetings in 2012 due to travel and/or venue costs. In addition, the EITI Strategy Working Group met in London and the Hague. These costs were listed under Board meeting costs.
- Communication costs have been high to cover a new service provider for the development and the maintenance of the EITI website. This included building a database of EITI Reports and translation costs.
- Office expenses have been high to cover telephone and internet providers which are no longer provided by the Norwegian Aid Agency, NORAD. New furniture, computers and telephones were purchased to cater for the growing number of staff.

Expenditure - January 2012 to December 2012									
Description	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Budget 2012	Actual 2012	Actual 2012	% of	
	US \$	NOK	US \$	budget					

#### Table 4: Expenditure 2012

6

Implementation	211 899	167 449	206 902	158 826	250 000	1 197 640	199 607	80 %
Outreach	125 366	103 033	104 683	141 926	150 000	1 012 448	168 741	112 %
Board Meeting <sup>6</sup>	167 661	152 695	457 825	433 921	300 000	2 977 288	496 215	156 %
Conference 7	35 126	401 830	219 192	1 102 371	150 000	1 568 744	261 457	174 %
Communications	104 339	77 374	95 254	171 741	125 000	1 038 910	173 152	139 %
Chairman's Support	300 360	147 094	153 766	62 526	100 000	208 481	34 747	35 %
Project Consultants	162 391	131 698	106 845	305 871	150 000	1 008 372	168 062	112 %
Salary	1 276 726	1 266 474	1 403 359	1 902 048	2 000 000	10 675 411	1 779 235	89 %
Other Staff	249 221	49 709	93 757	128 696	125 000	1 040 609	173 435	139 %
Office Expenses <sup>8</sup>	275 391	166 576	179 275	259 663	250 000	3 372 184	562 031	225 %
Reserve	-	-	-	509 434		-	-	
Contingency	2 955	-	-	-	50 000	-	-	
Total Budgeted Expenses	2 911 435	2 663 933	3 020 859	5 177 022	3 650 000	24 100 088	4 016 681	110 %

#### **Board members**

Andrew Bone David Diamond Dorjdari Namkhaijanstan Harald Tollan

#### **Committee advisor**

Anwar Ravat

#### Secretariat

Wouter Biesterbos Leah Krogsund Jonas Moberg Eddie Rich

<sup>7</sup> US\$0.2m was paid as deposit for venue and accommodation costs for the 6<sup>th</sup> EITI Global Conference to be held in Sydney in May 2013

<sup>8</sup> Office expenses have been high to cover the high cost of telephone bills and new equipment including furniture, computers and telephones to cater for the growing number of staff.

<sup>&</sup>lt;sup>6</sup> Board meeting costs (including per diem payments) for 2012: US\$265,894 was spent on four Board and Board related meetings in 2012: full Board meetings at Wiston House (UK), Lima and Lusaka, Strategy Working Group meetings in Henley (UK) and the Hague, plus per diem payments and communication support to Civil Society Board members. In total, accommodation and venue costs accounted for 38% of the costs, travel 37% and interpretation/translations at 25%. A full breakdown is available on request.