

A Mongolia EITI 2016 Work plan endorsed by Mongolia EITI National Council
Motto of 2016- Make capable EITI sub-national councils--- As of December 28, 2016

Objective 1. EITI Report and electronic reporting system will become a reliable source of real and comprehensive information about socio-economic contribution of extractive industries (mining, petroleum and uranium) and available in one place.
Justification: Nowadays, socio-economic contribution of extractive industries data such as paid taxes to state budget, extracted, produced, exported quantity and monetary values are disclosed by various Government institutions, like National Statistical Committee (NSC), Ministry of Finance (MoF), General department of Taxation (GDTA), General Customs Office (GSO), Mineral regulatory authorities (MRAM) publicly, but the data is based on various methods, not integrated in one place and incomplete. EITI standard requires that EITI report should become comprehensive, complete and reliable information source.
Challenge: The facts that a number of companies reporting for EITI is falling since 2012, data both in Government and Companies reports are not certified, that is based on audited financial data, some companies refuse to present additional information during reconciliation, and there is no procedure how to create contextual information, and then various institutions present the data differently impacts EITI report to become comprehensive one.

Expected outcome	Planned work	In charge	Time by Quarter				Time by month	Implementation	
			1	2	3	4		Tugrig	Funding
Result 1: Number of reporting for EITI shall be minimum 85%;	1.1 Indoor training for all companies -100 persons, 3 times	Professional associations, MOF, MRAM, GDTA, Secretariat ¹	+				Feb-Mar	3.300,000 Implemented	WB: The training was organized along with training at 2.4 covering representatives from 134 companies in Sep-Oct.
	1.2 On-line training of electronic reporting, updating video tutorials, handbook and place in website	Secretariat Interaktiv K ^{o2}	+				Jan	Consultancy Contract Implemented	EBRD: Brochure and video lessons are created in Oct.
	1.3 Advertisement on reporting	Secretariat	+				Mar	1.500,000 Implemented	WB: Dissemination of information about to report is carried via cell phone as SMS and web site.

¹ Mongolia EITI Secretariat

² Interaktiv- software company having contract with Adam Smith institute, which is financed by EBRD

	1.4 Monitoring of reporting license holders over legal provisions to produce EITI Report, improve accountability ³	TAN ⁴	+				Apr	Not implemented -	WB consultancy – PWP Coalition is in charge
	1.5 Advertize benefits of EITI Report and disseminate handbooks during submitting annual reports and plans in cooperation of Government institutions	PIA ⁵ , MRAM, GDTA, Secretariat	+				Feb	600.000 Implemented	WB: Government institutions with relevant task to report received instructions and manuals howtos.
	1.6 Receive Companies' 2015 Report electronically	Secretariat		+			Apr	1.100.000 Website, implemented	WB: 747 companies and 32 Government organizations reported on revenues from 1920 companies. MoF, MoET, PIA have not do so
Result 2: In cooperation with IA and as EITI standard required, reliability and comprehensiveness of reconciled and not reconciled 2015 Report data will be improved and available publicly.	2.1 Establish Evaluation committee for selection IA for 2015 Report, production of ToRs, announce tender, evaluation and contracting	Evaluation Committee, Secretariat	+				Jan Mar	152,600,000 Implemented	State Budget: the selection was completed late June, the contract was signed Early July. The Contract is completed in December, 2016
	2.2 Inception report with contracted IA, verify reporting templates, scoping	WG ⁶	+				Mar	400.000 Implemented	WB: Inceptionj was organized on Aug 11.2016
	2.3 Finalize with IA reporting templates, to have verified by authorities, agree procedure on collection of contextual information	WG		+			Apr	Budget of consultancy Implemented	EBRD: template for additional(conceptual) information was agreed with IA and Interactive, have been tested, commissioned on Sep 15.

³ Additional proposal by CSO

⁴ Coalition of Civil society organization

⁵ Professional inspections agency

⁶ Mongolia EITI Working group chaired by Senior adviser to Prime Minister of Mongolia.

	2.4 Indoor training of companies with most discrepancies for 2014 report, 100 persons and once	MoF, MRAM, GDTA, PAM ⁷ , KPMG ⁸ , Secretariat	+				Feb	Impelemented	WB: training was organized in Sep and Oct along with activities as per 1.1.
	2.5 Indoor traing of Government institutions with most discrepancies for 2014 report, 60 persons and once	MoF, GDTA, KPMG, Secretariat	+				Feb	Not impelemnted	WB: training was not organized.
	2.6 Organize verification by audit of Government EITI report	NAO ⁹ , Secretariat	+	+			3-4 cap	Budget of consultancy Not implemented	State Budget: NAOM has not allocated relevant funding in budget, so it is unable to do so.
	2.7 Receive Government EITI 2015 Report electronically	Secretariat		+			Apr	Website cost is effected with 1.9 activities, implemented	WB The government report was received electronically, but MoF has verified later.
	2.8 Production of Mongolia EITI 2015 Report, reconciling, reporting progress, drafting report by IA	WG, Secretariat		+	+	+	May-Jun Sep- Oct	50.000 implemented	WB: Inception report was produced, WG reviewed progress in Nov 18.
	2.9 Finalizing of Mongolia EITI 2015 Report and endorsement	National Council				+	Nov	5,000,000 Implemented	WB: After WG review the National Council approved in Dec 20.
Result 3: Update EITI electronic reporting system, operational speed and availability of onformation will be increased.	3.1. Under second phase of electronic reporting it will be connected with GDTA and data exchange will be available	NSC ¹⁰ , GDTA, Secretariat, Interaktiv K ^o	+				Jan-Mar	300,000 euro Implemented	EBRD: Ongoing.
	3.2 Under second phase of electronic reporting it will be connected with MRAM and data exchange will be available	NSC, MRAM, Secretariat, Interaktiv K ^o	+				Jan-Mar	Not implemented	EBRD:It is possible to be downloaded and updated. It is not possible in automatic regime.

⁷ Petroleum authorities of Mongolia

⁸ Independent administrator for 2014 Mongolia EITI Report

⁹ National Audit office

¹⁰ Natioanl Statistical Committee

	3.3 Improve statistical and analysis sections of electronic reporting	NSC, Secretariat, Interaktiv K ^o			+			Jun	Implemented	EBRD: It is organized.
Sum of State budget funds									152.600,000,	
Sum of WB funds									11.950.000	
Sum of EBRD funds									300.000	1 €=2100₮
Sum of objective 1 funds									164.550.000	

Objective 2. Data of EITI reports should be usable, has to contribute to discussions in whole extractive sectoral process beginning from granting license till disbursement of revenues.

Justification: Stakeholders underline during various meetings and discussions organized at national and local level that data in EITI report is not used properly during process of deliberation and decision making on granting new license, allocation of 30% of royalties to local development fund, approving Contract template between local authorities and companies. Mongolia EITI 2013 Report reveals that there are 1660 companies are holding exploitation and exploration licenses, and only 250 companies of them represent 94% of total revenues collected, and remaining represents only 6% means that there is very economic benefits for granting license, allocations of royalties into local development funds do not consider whether they have ongoing extractive operations, during deliberation of Contract templates the agreement disclosed are not properly analysed, therefore there is such inconsistency between policy, decision and reality. Therefore, it would be very useful to use EITI data at all level.

Challenge: There is poor participation and awareness in Parliament and Government, and EITI Report itself is too big, complicated to understand, and there are capacity and funding issues to make it simple, comprehensive, develop into per focus group needs, no guidelines for public how to use it, and subnational councils have not have any capacity to develop and not assigned to do so.

Expected outcome	Planned work	In charge	Time by Quarter				Time by month	Budget	
			1	2	3	4		tugrug	Funding
Result 4: EITI Report is used at Policy level.	4.1 Submit and discuss EITI Report at Parliament, Standing committees of economic policy	Secretariat, adviser	+			+	Jan, Dec	300,000 Implemented	WB: EITI 2015 Report was submitted in late December Parliament.
	4.2 Submit and discuss at Standing committees of Budget, develop based on 2014 and 2015 reports the information and messages via group focusing like MoF, MM, Policy council of mining policy, research institute, media and etc.	Secretariat, adviser	+			+	Jan, Dec	1,000,000 implemented	WB: EITI Report was submitted to Budget committee on Dec with relevant documentations. Training CSO, Companies and media was organized on 2014 report with KPMG.
	4.3 Develop and print summary report of 2014 and 2015, disseminating materials and posters as per focus	Secretariat	+			+	Jan, Dec	1.000.000	WB; For EITI 2015 was not conducted, but for 2014 it

	group							Not implemented	was done. operational printing
	4.4 Organize official and unofficial meetings and seminar with focus group representatives (Agenda and ToRs will be developed separately)	WG, Secretariat	+	+			Jan- Jun	Implemented	WB: The work was done along with work on 4.2.
	4.5 Press conference, TV live discussion	WG, Secretariat	+				Jan, Dec	3,000,000 Implemented	WB; Press conference for 2014 EITI Report was organized with Cabinet Secretariat, for 2015 is postponed til Jan 2017.
Result 5: Selected 4 aimag and 6 soums will have better usage of EITI Report, capacity build-up program, methods, training modules, ToRs for subnational council will be produced.	5.1 Distinguish functions of Aimag and Soum subnational councils, issue legal decision, produce capacity build-up program, methods, training modules, ToRs for subnational council, print and distribute them	WG, Secretariat	+				Jan	Not implemented	EBRD Pilot project will be funding and postponed to 2017
	5.2 Produce capacity build-up program, methods, training modules, ToRs for subnational council, print and distribute them	WG, Secretariat	+				Jan	Not implemented	EBRD Pilot project will be funding and postponed to 2017
	5.3 Produce reactivation 2016 program of Aimag and soum EITI subnational councils, include into performance agreements of aimag Governors and organize inception workshop with stackholders	Professional associations, Aimag Governor's office and Hurals, WG	+				Jan-Feb	Not implemented	EBRD Pilot project will be funding and postponed to 2017
	5.4 Baseline study of selected aimags and soums	Secretariat, Research company	+				Marcap	Not implemented	EBRD Pilot project will be funding and postponed to 2017
	5.5 Organize focus work like better use of EITI report in selected aimags and soums	Secretariat TAN		+			Apr-Jun	Not implemented	EBRD Pilot project will be funding and postponed to 2017
	5.6 Organize training on capacity build up of members of subnational councils	Secretariat, ToT ¹¹		+			Apr	Not implemented	EBRD Pilot project will be funding and postponed to 2017
	5.7 Reconciling reports of small and medium companies which have not reconciled, and print the report	Aimag audit department, Secretariat		+			May-Jun	Not implemented	Postponed to 2017
Sum of WB funds								5,300,000	
Sum of objective 2 funds									

¹¹ Mongolia EITI Trainers of Trainers (about 20 persons)

Objective 3. Advertisement of EITI, promotion work for better knowledge and skills to make stakeholder involvement more real, knowledge, understanding, improved capacity build-up, mutual understanding, cooperation and trust will be improved.

Justification: One of major principles and requirements of EITI standard is to insure equal participation of Government, Company and Civil society, and a decision must be based on consensus. Findings of survey in 2013 by EBRD funded project and pilot validation by EITI International Secretariat in November 2015 demonstrated that stakeholder explained mission by own consideration and common understanding is still not achieved. Equal participation of civil society, mutual understanding, cooperation and trust are weak at the local level and is not insured, not active involvement of Company representatives in EITI process and their poor commitment and awareness are all making EITI impact low and slow. So, through better capacity and understanding, cooperation and trust can progress, and on this note sustainability will be preserved.

Challenge: Capacity of Civil society and citizens to conduct agreements and consultations weak, participation is not sufficient and poor involvement of small and medium companies. Legal environment and financial opportunity to run subnational council is not clear. Capacity of subnational council to attract and invite stakeholders, disseminate information to public, process and develop data, have consultations are poor, and there are no instructions given directly from WG, Secretariat, and there was no feedback, involvement of small and medium companies is not insured and low capacity to implement obligations.

Expected outcome	Planned work	In charge	Time by Quarter				Time by month	Budget	
			1	2	3	4		Tugtrug	Funding
Result 6: Participation of citizens with EITI information, monitoring and capacity is increased.	6.1 Organize capacity build up training for Civil society	TAN		+			Apr-Jun	200,000 Implemented	EBRD Interactive organized in Oct.
	6.2 Organize training for media workers	Secretary8 Consultant		+			May	Not implemented	Postponed to 2017
	6.3 News, publications, infographics and programs will be disseminated on regular basis through central and social media tools	Secretariat	+	+	+	+	Jan-Dec	400,000 Implemented	WB: 6 infographics created and posted at www.ikon.mn . Totally there are 180 facebook shares, reached 816 persons. GIZ along with Mongolian Mining Journal aimag report for 4 aimags. Along with EBRD a public launch of Electronic reporting was conducted. Result of which visits of website on actual day ws 353, and within 2 months there was 2000 visits and 3181 views. Facebook reached 748 persons.

Result 7: Active involvement of companies in reporting, participating in meetings and open-days will be improved.	7.1 Standard of Corporate Social responsibility MNS:26001 and EITI Standard 2013 will be overviewed for possible joint application, for that program will be produced and performed.	MNMA ¹² , Secretariat		+	+	+	Apr-Dec	3,000,000 Implemented	WB: The event was organized on Dec 16.
	7.2 Organize jointly with Professional associations, CSO meetings and open-days on Transparent and accountable mining	Professional associations, CSO, subnational councils, Secretariat	+	+	+	+	Mar, Jun, Sep, Nov	Not implemented	WB: Postponed to 2017
Result 8: Active involvement of top managers of Government institutions and participation will be improved.	8.1 Organize meetings for introduction of EITI and progress for top chairmen of Ministries and agencies	Secretariat		+	+		May, Oct	Implemented -	WB: The meeting was organized on Dec 18. Introduction about EITI progress and standard to new managers of Taxation, Mineral and Petroleum, National Development agencies, Ministry of Mining and Heavy industries in Sep Oct Nov
Үр дүн 9: Mutual understanding, cooperation and trust of stakeholders will be improved.	9.1 Organize national seminar with workshop for chairmen of aimag and soum subnational councils. ¹³	WG, Secretariat, Aimag councils		+			Oct	12,000,000 Implemented	WB: Aimag Deputy Governors meeting was organized on December 9, 2016.
	9.2 Participation in 7 th EITI Conference	Delegates, Secretariat	+				Feb	Implemented	Delegates headed by Minister of Mining attended the Conference in Lima, visits was sponsored by EITI, received EITI Chairman award.
	9.3 Meetings of Working group and technical groups	Secretariat	+	+	+	+	Quarterly	Costs of meetings Implemented	WB: WG met 3 times in Apr, Aug and Nov. technical group met 3 times.
	9.4 Develop Mongolia EITI 2020 strategy, deliberate and submit to National Council and have endorsed	WG	+				Jan-Feb	Costs of meetings Not implemented	WB; The work postponed to 1 st Q 2017.

¹² Mongolian National Mining Association

¹³ Eastern regional conference is excluded, as there should be a consultation, and if the budget will be not sufficient if the seminar covers all the aimags and soum council representatives.

	9.5 Organize consultative meetings, lectures jointly with donor organizations	Secretariat, Donor organizations	+	+	+	+	Quarterly	Budget of work Implemented	Frequently visited meetings organized by donor organizations
	9.6 Support and promotion of G-4 Fast track partnership	GIZ, Secretariat	+	+	+	+	Jan-Dec	Budget of work implemented	GIZ organized all activities, final session was organized in Bangkok, EITI was core subject and MMAHI delegated director.
Sum of WB funding								15.600,000	
Sum of other organizations funding								-	
Sum of objective 3								15.600,000	

Objective 4. Insuring sustainable implementation of EITI and creation of real financial support

Justification: For the time being, there is no stand alone law on EITI, which is regulated by relevant provisions of Mining law, Nuclear energy law, Petroleum law, and law on minerals of common and wide spread, Government resolution No.222 from 2012, and memorandum of understanding concluded in 2007. As new EITI standard specifies new requirements to implement them it becomes complicated and limited within existing law environment. Therefore, Mongolia EITI and Government submitted draft law on transparency in mineral resources sector to Parliament, which will be very important document. Also, funding of reconciling is located by the Government since 2010, and grant under MDTF of World Bank finances Secretariat operational, training, advertisement and printing costs. The grants continues till end of 2015, with possible extension until 2017 with rearrangements, but not finalized yet. So, there should be study work to have more reliable and sustainable financing sources..

Challenge: Members of Parliament is delaying deliberation of draft law on transparency in mineral resources sector and ignores it. Members of Mongolia EITI National Council and Working groups have no common, unified points, and explain by own angle. CSO considers that draft has not covered regulation of priority issues, just legitimizes reporting process.¹⁴

Expected outcome	Planned work	In charge	Time by Quarter				Time by month	Budget	
			1	2	3	4		Tugrug	Funding
Үр дүн 10: Create sustainable legal environment	10.1 Organize promotion activities to introduce benefits of law on transparency in mineral resources sector	WG		+			Apr-Jun	100,000 Implemented	WB: WG at Economic standing committee met 3 times and finalized for the 1 st reading, which could not be convened. The New Government called back the draft. The new draft

¹⁴ Additional proposal by CSO.

									should be resubmitted in 2017.
	10.2 Organize passing of law on transparency in mineral resources sector by Parliament, produce relevant procedure and workplan	MM ¹⁵		+			May	Not implemented	WB: The new draft should be resubmitted in 2017.
	10.3 Include functions, financial sources of subnational councils in draft law on transparency in mineral resources sector ¹⁶	MM	+				Jan Feb	Not implemented	WB: The new draft should be resubmitted in 2017.
	10.4 ¹⁷ Prepare for International validation, organize validation, submit final findings to National Council, have discussions	WG	+	+	+	+	Jan- Dec	Costs of meetings	WB: The Validation was conducted and final decision by EITI Board is expected in Dec 2016.
	10.4.1. Disclose application date for mineral license in cadaster system of MRAM	MRAM, Secretariat	+				Jan	Not implemented	WB: Meet new managers of MRAMP to include to 2017 Work plan.
	10.4.2. Post Production sharing agreements in Contract transparency website	PAM, Secretariat	+				Jan-Mar	Implemented -	WG met 2 times, met with companies with PSAs. The valid contracts from rural areas had been. The web site at OSP. There should MoU to sign with MMaHI.
	10.4.3 Study work on State Owned Companies engaged in extractive industries	Secretariat	+				Jan-Mar	Implemented	WB: Study work is done within Mongolia EITI 2015 Report.
	10.4.4 Consultative with NSC, Mol ¹⁸ , MM	Secretariat				+	Sep	Implemented	WB: Special meeting with National Development agency was organized, there will be exchange of data between EITI and industrial web site.
	10.4.5 Consultative meeting with MRAM, Mongolbank, GCO	Secretariat	+				Jan-Mar	Implemented	WB: The meeting was organized on Dec 8.

¹⁵ Ministry of Mining

¹⁶ Additional proposal by CSO

¹⁷ Additional work planned from recommendations of Mongolia EITI Pilot Validation Report made by EITI International Secretariat, Nov 2015.

¹⁸ Ministry of Industries

	10.4.6 Discussion meeting with GDTA, MoF (Treasury and Budget Revenue departments)	Secretaryat		+			Apr-May	Implemented	WB: The meeting was organized on Dec 8.
	10.4.7 Self assessment and include in 2015 Work plan report	Secretariat	+				Jan	Budget of consultancy Not implemented	WB consultancy
	10.5 Renovate working procedure of National council, Working Group, Secretariat, subnational council, clear specification of functions and obligations	WG	+				Mar	Not implemented	WB consultancy
Sum of WB funding								200,000	
Sum of Objective 4								200,000	

Totals		
State budget	152,600,000	MNT
WB	33,050,000	MNT
EBRD	300,000	Euro
GIZ	Budget	
Implemented 34 not implemented 18		