



# PROGRESS REPORT 2009-2011

## Transparency Counts



EITI Progress Report 2009-2011

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## Tried and tested, the EITI standard continues to strengthen



When we were appointed as the EITI International Board at the Doha Conference in 2009, the EITI had already come a long way from its initial days as a series of pilot projects and a cluster of transparency principles. We inherited a globally recognised multi-stakeholder process based on agreed principles, rules and the quality assurance mechanism called 'EITI Validation', to ensure that countries implementing the EITI would be assessed on their performance against the EITI's rules. With these tools, we were set the task of putting them to use, as 22 EITI Candidate countries faced a Validation deadline in March 2010.

### PUTTING THE EITI TO THE TEST

The EITI process, which had been delicately negotiated over a number of years, was truly tested when Candidate countries undertook their Validation processes in the run-up to their March 2010 deadlines. This period was critical for demonstrating whether the EITI methodology worked in reality. By the end of 2010, the Board had declared 5 countries as EITI Compliant. Tough decisions have been made during this process, including the de-listing of countries from EITI, suspension of countries, extension of deadlines, and finding consensus on how some EITI indicators should be interpreted and applied. The wave of Validations that took place during 2010 provided the Board with challenges, but also an opportunity to demonstrate the robustness of the EITI process.

The Board's Validation Committee spearheaded the review of Validation Reports. Its members worked tirelessly to present their recommendations to the Board throughout the process. For an additional 10 countries, the Board identified remedial actions to be completed. The emerging consensus is largely that while there are areas where the EITI can be improved, the foundations of the initiative are sound. The EITI standard has proven itself to be strong, relevant and rigorous. The EITI's multi-stakeholder model has proven that government, companies and civil society organisations can accomplish substantial results through working together to develop and enforce rules and principles, both within the Board and within multi-stakeholder groups in each implementing country.

### 2011 AND BEYOND

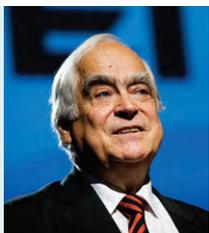
If 2009-11 represented the end of the beginning for EITI, the next phase of our journey promises to be just as challenging. We have shown that the EITI process works. By learning from the experiences of Validation and implementation we now know how it can be made to work even better. Thus we will end our term of office with a revision of the EITI Rules. These changes are designed to strengthen the standard and to adapt it to new challenges. We are paving the way for a greater focus on measuring outcomes; for ensuring that the quality of implementation is improved

amongst countries that have already been recognised as Compliant; for ensuring greater regularity and timeliness of reporting; and for adapting our guidance so as to facilitate transparency in areas such as sub-national reporting and accounting for complex deals which involve the barter of natural resources for infrastructure. The Board members and the governments, companies, and civil society organisations from which we are drawn, are proud to have contributed to the EITI's evolution. We all look forward to supporting the EITI's further development in the years ahead.

### FAREWELL TO OUR CHAIRMAN

The Board would like to wish a fond farewell to our Chairman, Peter Eigen. Peter has been a driving force in the EITI's evolution. He has steered the EITI through the establishment of its Board and International Secretariat. No one has done more to bring in new partners, broaden implementation, and put the EITI standard on the international map. We wish him the very best in all future endeavours and are proud to have served as Board members under his Chairmanship.

## Moving beyond talking about transparency



In the two years since the 4th EITI Global Conference held in Doha, the EITI has seen considerable success in expanding its

support base and deepening its impact. Eleven countries have been welcomed in as EITI Candidates and support amongst civil society organisations and companies is expanding. In 2009 and 2010 the EITI began to realise its potential as a global standard for revenue transparency in the extractive industries. With over 30 EITI Reports having been produced by 19 countries in those two years, we have moved beyond talking about transparency to actually providing it to millions of citizens around the world. The wave of 17 EITI Validations that took place in 2010 put the principles of multi-stakeholderism and transparency to the test, and demonstrated that our standard

works, resulting in the Board declaring a total of five EITI countries Compliant and several "Close to compliance".

My journey with the EITI has been hugely rewarding, providing me the opportunity to assist in the evolution of an initiative which puts the principles of transparency and multi-stakeholderism, in which I so fervently believe, into action. Simply reviewing the list of speakers and attendees to the 5th EITI Global Conference shows me just how much has been achieved since the Nigerian government announced the introduction of the EITI in 2003. More than speakers are the stories that they tell of what is happening in the 33 countries implementing the EITI and how it is changing governance, management and ordinary people's lives. However, much remains to be done to further improve transparency and governance in the global extractives sector. A lot will depend on how the information presented by the EITI will

be used by society, to translate resources wealth into real progress for the people in resource rich countries.

I step down as EITI Chairman, but not as an EITI advocate. I look forward to championing the EITI and contributing to its evolution and its impact on creating better governance in the natural resources sector. It has been an exciting ride and a great honour to serve as EITI Chairman. I am grateful to the EITI Boards and the members of the EITI Secretariat with whom I have worked for the opportunity to lead this unique and essential initiative through its formative years.

**Peter Eigen**  
Chairman of EITI

## Bringing together a community



This report seeks to capture the implementation progress of the EITI in the last two years. As with the EITI in general, the report

puts the 33 implementing countries at its core. This report also reflects how the EITI is evolving. The previous report, published ahead of the Global Conference in 2009 in Doha, was largely about why countries implement the EITI and why others support it. This report is about how the EITI is implemented. The attention is on what EITI Reports have to tell, how this information is communicated and used, and the impact and benefits that derive from that process.

As the EITI continues to evolve, so do the tasks of the International Secretariat. With the focus in many countries now shifting from Validation to incentivising Compliant

countries and their stakeholders, the International Secretariat's role in bringing together those involved in implementation is more important than ever. By guiding implementation and sharing good practice, by facilitating and coordinating international support and peer learning, by arranging and participating in meetings of the EITI National Coordinators, and through other efforts, we are drawing together a community. This global community of stakeholders is helping to deliver information and voice to the communities affected by natural resource extraction.

It has been a pleasure for all of us here in Oslo to serve implementing countries, other stakeholders and, above all, the EITI International Board. For me, it has been rewarding to lead our small but highly motivated team. This high motivation stems from a strong belief in the EITI. With the unprecedented attention to the need for

transparency and accountability we have all witnessed in 2010, there is a strong belief that the EITI, with its narrow focus and clear mandate, brings the kind openness we need. For all its challenges, we are motivated by the simple elegance of the EITI core idea: transparency of the relationship between operating companies and hosting governments, coupled with accountability of governments to their citizens.

2011-2013 will present new challenges to the EITI, its Board and its implementing countries. The Secretariat remains committed to support the process to ensure that the EITI delivers more benefits to more people in more countries.

**Jonas Moberg**  
Head of Secretariat

# The EITI in the world

## ■ Compliant countries

Azerbaijan  
Ghana  
Liberia  
Mongolia  
Timor-Leste

## ■ Candidate countries

Afganistan  
Albania  
Burkina-Faso  
Cameroon  
Central African Republic  
Chad  
The Republic of the Congo  
Côte d'Ivoire  
The Democratic Republic of the Congo  
Gabon  
Guinea (suspended)  
Indonesia  
Iraq  
Kazakhstan  
Kyrgyzstan  
Madagascar  
Mali  
Mauritania  
Mozambique  
Niger  
Nigeria  
Norway  
Peru  
Sierra Leone  
Tanzania  
Togo  
Yemen  
Zambia

## ■ Supporting countries

Australia  
Belgium  
Canada  
Denmark  
Germany  
Finland  
France  
Italy  
Japan  
The Netherlands  
Norway  
Qatar  
Spain  
Sweden  
Switzerland  
The United Kingdom  
The United States of America

EITI INTERNATIONAL SECRETARIAT **OSLO**

EITI CHAIRMAN'S OFFICE **BERLIN**

EITI 5TH GLOBAL CONFERENCE  
**PARIS**



### PERU: Communicating the EITI

In 2010 Peru conducted an extensive campaign communicating not only the EITI reconciliation report (2004-2007), but useful information about the EITI process and transparency in the extractive sector. Page 26

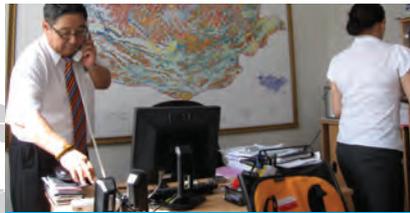


### LIBERIA: Enabling communities to demand accountability

Through the LEITI issues such as corruption, proper collection of revenues and fair sharing of benefits between communities and national authority are being openly discussed with the companies and government in a safe, non-combatative environment. Page 14



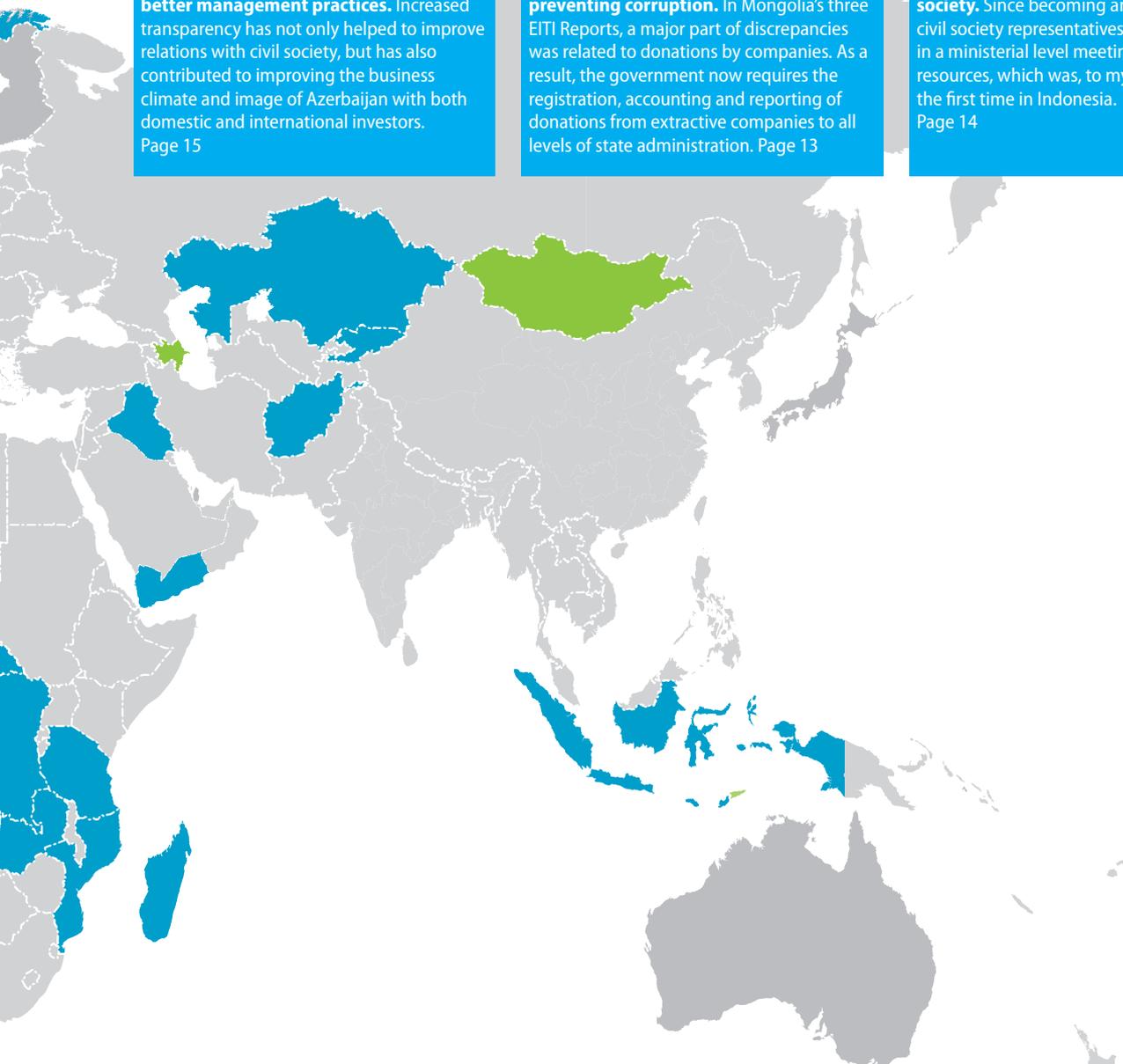
**AZERBAIJAN: Getting recognition for better management practices.** Increased transparency has not only helped to improve relations with civil society, but has also contributed to improving the business climate and image of Azerbaijan with both domestic and international investors. Page 15



**MONGOLIA: Capturing more payments, preventing corruption.** In Mongolia's three EITI Reports, a major part of discrepancies was related to donations by companies. As a result, the government now requires the registration, accounting and reporting of donations from extractive companies to all levels of state administration. Page 13



**INDONESIA: Opening new doors to civil society.** Since becoming an EITI Candidate, civil society representatives have participated in a ministerial level meeting on natural resources, which was, to my knowledge, the first time in Indonesia. Page 14



**GHANA: Creating an environment supportive of business operations**  
We find that the transparency produced by participation in the EITI process and its inherent requirements have helped create an improved business climate of trust and credibility. Page 15



**DRC: Bringing people around the table**  
Through implementing the EITI we have slowly but surely created a dialogue and an atmosphere of trust among different stakeholders in a sector long ruled by obscurity and conflict. Page 12



**TIMOR LESTE: Building dialogue and understanding**  
One unique aspect of our experience with the EITI has been the educating of the general population about the financial flows to the country from the oil sector. Page 12



## Transparency Counts

### What the EITI is and how it works

- 1 The EITI is a global standard that ensures more transparent management of natural resources. The EITI is backed by governments, companies, civil society, investors and international organisations.**
- 2 Together they developed a robust yet flexible methodology for monitoring and reconciling company payments and government revenues.**
- 3 The EITI process is implemented by governments, while emphasising participation by governments, companies and civil society. The International EITI Board and the International Secretariat are the custodians of the EITI process.**

The EITI is the global standard to ensure more transparent management of natural resources. It is supported by governments, companies, civil society, investors and international organisations. Together they developed a robust yet flexible methodology for monitoring and reconciling company payments and government revenues. The EITI process is implemented by governments, while emphasising participation by governments, companies and civil society. The International EITI Board and the International Secretariat are the custodians of the EITI process.

Governments of resource-rich countries recognised the potential benefits of this process for reducing mistrust and conflict, building their capacity to manage revenues and resources, enhancing their international reputation – especially on anti-corruption and economic management – and attracting investment. By early 2011, 33 countries were implementing the EITI. Well-managed companies immediately saw the commercial case for the EITI, especially when other companies operating in a country were required to do the same. By early 2011, over 50 companies were supporting the EITI. The role of institutional investors in encouraging this process was highly

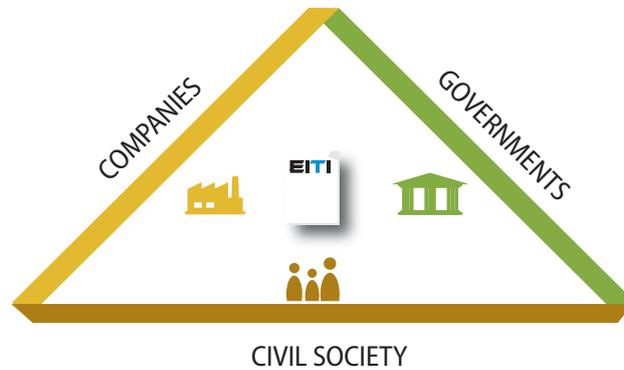
significant. More than 80 investors representing over US\$16 trillion in assets under management have signed a statement supporting the initiative and have actively encouraged the companies in which they invest to participate in the EITI.

The EITI is endorsed by the UN General Assembly, the G20, the G8, the African Union, the European Union, and all the major regional development banks. The World Bank administers a trust fund to provide technical support to EITI implementing countries on behalf of 15 donors. Some other donors have bilateral technical programmes and support the EITI internationally. The governance of the EITI at the international level reflects the multistakeholder approach followed in national EITI implementations. From September 2006, an EITI Board has been responsible for the overall development, strategic direction and credibility of the EITI, as well as for outreach and advocacy. The Board has been chaired by Dr Peter Eigen, founder of Transparency International, and consists of members from countries, companies and civil society. The Board makes recommendations on these issues to a biennial EITI Conference, and is supported by a small EITI Secretariat based in Oslo.

1 Companies and government agencies are required to disclose payments and receipts, which are made public in an EITI Report



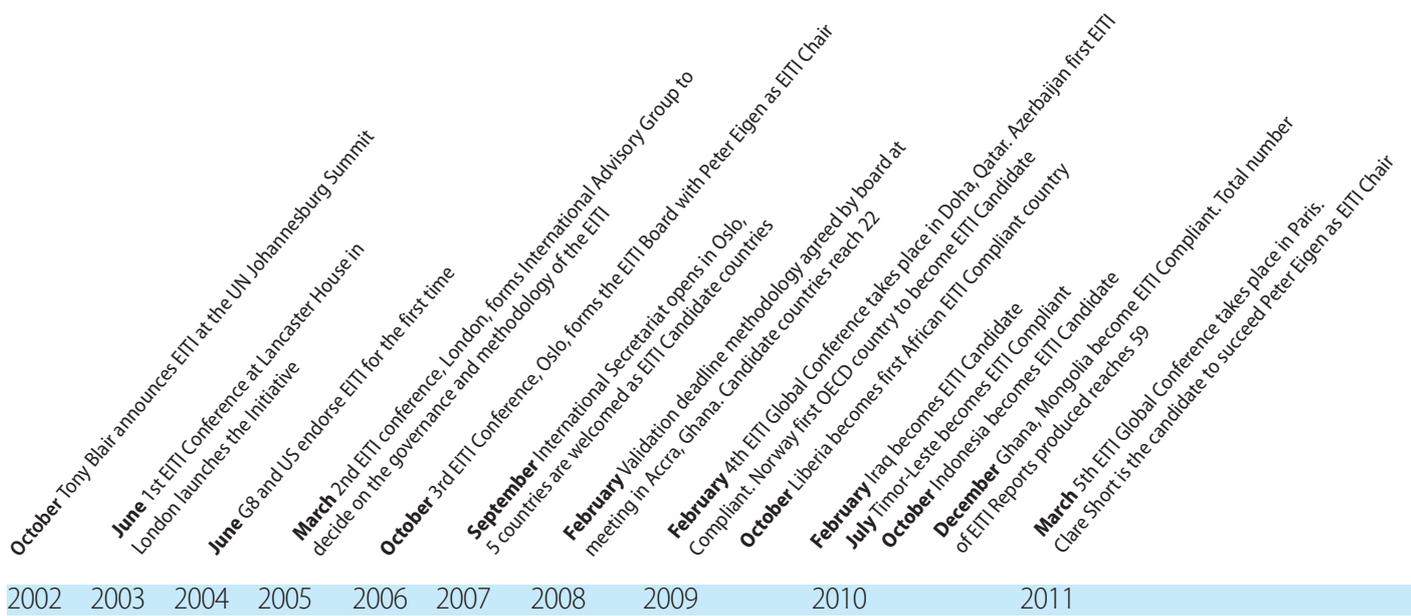
2 Oversight by a multi-stakeholder group, which also provides a platform for dialogue and broader reform.



To become an EITI Candidate, a country must meet four sign-up indicators, including the development of a work plan documenting how the country intends to achieve EITI compliance. The plan is to be discussed with and agreed to by key stakeholders. To achieve EITI Compliant status – or to extend Candidate status beyond 2 years – a country must complete a further 16 indicators and undertake an EITI Validation. Validation is

an essential element of the EITI global standard. It provides an independent assessment of the progress achieved and identifies what measures are needed to strengthen the EITI process. The Validation is carried out by an independent validator selected by the multi-stakeholder group, using the methodology set out in the EITI Rules. If the EITI Board considers a country to have met all the indicators, the country

will be recognised as EITI Compliant. If a country has made good progress, but does not meet all EITI requirements, the country may apply to retain its Candidate status for a limited period. Where Validation has shown that a country has made no meaningful progress, the Board revokes its Candidate status.



# Supporters of the EITI

50 of the world's largest oil, gas and mining companies support and actively participate in the EITI process, as they recognise the benefits of improved governance and transparency in the countries where they operate. In addition, the EITI is supported by 80 institutional investors.

## Supporting companies include:

- African Rainbow Minerals
- Alcoa
- AMG
- Anglo American
- AngloGold Ashanti
- Anvil Mining
- Arcelor Mittal
- Areva
- Barrick
- BG Group
- BHP Billiton
- BP
- Chevron Corporation
- ConocoPhillips
- DeBeers
- Eni
- ExxonMobil
- Freeport-McMoRan Copper & Gold
- GDF SUEZ
- Goldcorp
- Gold Fields
- Hess Corporation
- Intierra (non-extractive company)
- Lonmin
- Marathon
- Mitsubishi Materials
- MMG
- Newmont
- JX Nippon Mining & Metals
- Noble Energy
- Norsk Hydro
- Oxus Gold
- OZ Minerals
- Pemex
- Petrobras
- Qatar Petroleum
- Repsol YPF
- Rio Tinto
- RWE
- Santos
- Shell
- Statoil
- Sumitomo Metal Mining
- Talisman Energy
- Teck
- Total
- Vale
- Woodside
- Xstrata



*ArcelorMittal is proud to be a key implementation stakeholder, and also member of the founding committee that steered the setup and creation of this successful and absolutely essential initiative in Liberia. Lakshmi N. Mittal, Chairman and CEO, ArcelorMittal*



*Being a supporting company to the EITI is part of a range of initiatives Anvil has embarked upon to assist the Government of Democratic Republic of Congo to improve the investment climate and make the Katanga Copperbelt a more attractive investment destination, consistent with its incredible resource endowment. Anvil Mining*



*Accountable, transparent governance is a cornerstone of an open and just society. I have long recognized EITI as a vital tool for promoting greater openness in countries rich in oil, gas and minerals.* George Soros, Chairman, Open Society Institute

The participation of civil society organisations is central to the EITI process. Both international and national civil society organisations provide essential support to the EITI through their advocacy, training, monitoring and facilitation efforts.

**Supporting civil society organisations include:**

- Catholic Agency for Overseas Development (CAFOD)
- Global Witness
- Oxfam
- Open Society Institute
- Publish What You Pay Coalition
- Revenue Watch Institute
- Secours Catholique (Caritas France)
- Transparency International



Many governments and intergovernmental organisations support the EITI. These governments and organisations provide political, technical and financial support to the initiative, and support implementation in countries around the world.

**Supporting governments and intergovernmental organisations include:**

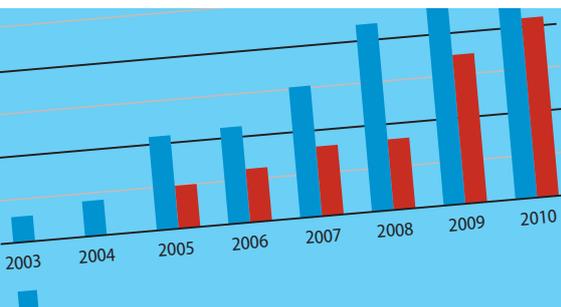
- Australia
- Belgium
- Canada
- Germany
- France
- Italy
- The Netherlands
- Norway
- Spain
- Sweden
- The United Kingdom
- The United States of America

- African Development Bank
- African Union
- Asian Development Bank
- European Bank of Reconstruction and Development
- European Investment Bank
- European Union
- G8
- IMF
- Organisation internationale de la Francophonie
- World Bank



*The Extractive Industries Transparency Initiative (EITI) is an important idea. For any country extracting minerals three pillars must be mentioned: private sector, public sector and civil society.* US Secretary of State Hillary Clinton, Astana, OSCE Summit, 30 November 2010

# Achievements 2009-2011



11 new countries, 59 EITI Reports and over US\$400bn in revenues

■ Since February 2009, 11 countries signed up to the EITI, bringing the total number of countries implementing the EITI to 33 at the end of 2010. Hundreds of individuals are now part of national EITI multi-stakeholder groups around the world, representing governments, companies and civil society, and working together to manage the EITI process in their respective countries.

The EITI International Secretariat's first priority is to work to strengthen EITI implementation and effectiveness in both Candidate and Compliant countries. Much of this is carried out through close collaboration with host governments and national multi-stakeholder groups, as well as with various organisations, in particular the World Bank, that are providing political, technical or financial support to EITI programmes.

By January 2011, a total of 59 EITI Reports had been produced by 23 countries since EITI reporting first began in 2005. These reports cover over US\$400bn in revenues generated by the extractives industry, making this information available to hundreds of millions of citizens in EITI countries. As the EITI has expanded and evolved, reports have moved away from initially focusing on oil and gas and are now covering a wide range of commodities including oil, gas, gold, nickel, bauxite, manganese, iron ore, uranium, copper, diamonds, forestry and rubber.

Five countries now EITI Compliant

■ In 2010 many countries implementing the EITI went through the Validation process – EITI's quality assurance mechanism – for the first time. Azerbaijan was the first country to achieve EITI Compliant status in early 2009, while Liberia was the first African country to become Compliant in October 2009. Following the wave of Validation processes that took place in 17 countries during 2010, three more countries were found to be EITI Compliant: Timor Leste, Mongolia and Ghana. Several more were found to be close to Compliant and are expected to achieve the standard in 2011. Although challenging, the achievement of Compliant status has provided important evidence that the EITI process can be implemented successfully in a number of differing country contexts. These five Compliant countries are also providing leadership and peer advice to other implementing countries. But compliance is not the end of the process – it simply means that the standard has been met; then follows the challenge of ensuring that the dissemination of the reports and the public discussion leads to more accountability, better management, and an improvement in the lives of those living in resource-rich countries. Compliant countries are encouraged to make iterative improvements to their reports (making reports more detailed, wider coverage, etc) and to the process (more dialogue throughout the country). Only in this way, can the EITI help address the governance challenges presented by abundant natural resources.

Supporting implementation, including Validation

■ Implementing countries require support and technical assistance as they work their way through the implementation process. The Regional Directors at the International Secretariat communicate on a regular basis with implementing countries and EITI partners to explain the EITI requirements, share best practices, and often to coordinate technical assistance delivery. Technical assistance has been available through a range of channels, including the World Bank-administered Multi Donor Trust Fund, and technical assistance projects administered by regional development banks, bilateral development agencies and non-governmental organisations. Peer learning from other implementing countries is also becoming an increasing aspect of technical assistance.

As the majority of Candidate countries faced a Validation deadline in 2010, a major focus of the EITI International Secretariat's work in 2009 and 2010 was to assist implementing countries to prepare for and complete the Validation process. Of the 23 countries, Equatorial Guinea and Sao Tome and Principe were delisted from the EITI; Yemen and Madagascar were given one-year extensions; and Guinea had voluntarily suspended itself from the EITI in December 2009. By November 2010, a total of 20 countries had submitted final Validation reports to the Board.



### Outreach efforts bearing fruit

■ In addition to its implementation support activities, the EITI International Secretariat actively pursued outreach to many countries. Often the EITI International Secretariat's outreach activities involved supporting governments, civil society organisations and companies. Efforts to expand the number of countries implementing the EITI saw substantial success, with 11 countries becoming Candidates. The EITI was happy to welcome major extractives producer countries such as Norway, Iraq and Indonesia into the EITI family in 2009 and 2010. Additional outreach successes included the signing-up of new EITI Candidate countries: Tanzania, Albania, Zambia, Mozambique, Burkina Faso, Afghanistan, Togo and Chad. Other countries including Guyana, Papua New Guinea, Guatemala, Solomon Islands, Suriname and Ukraine have also expressed a strong interest in becoming EITI Candidate countries and Australia is considering undertaking a pilot EITI exercise. Efforts to expand the number of countries implementing the EITI involved in-country meetings and workshops, working with partner organisations, in-country stakeholders, and receiving delegations to Oslo and Berlin. The EITI International Secretariat was also active in engaging local stakeholders through meetings with government, company and civil society representatives in China, Papua New Guinea, South Africa, Ukraine and Australia, as well as working with partner organisations in support of regional outreach conferences in South East Asia, Central/Eastern Europe, Central and East Africa and Latin America. Finland, Denmark and Switzerland have joined the growing number of countries that support the EITI.



### Expanding and diversifying the EITI's support base

■ One of the key strengths of the EITI is the diversity of its stakeholders and the strong support that they provide in promoting EITI principles in a wide range of forums. Multilateral support for the EITI has remained strong with both the G8 and G20 groups of countries re-stating their support for the initiative during their 2009 meetings in L'Aquila, Italy, and Pittsburgh, USA, respectively. The Inter-American Development Bank (IADB) also announced its support for the EITI in 2009. The support of the IADB now means that all major international financial institutions are supporters of the EITI. The six others are African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank, International Monetary Fund, and World Bank Group. Company support for the EITI has also been growing and diversifying, as new companies such as ArcelorMittal, GDF Suez, RWE, Anvil Mining, and Santos became official supporters during 2009 and 2010 bringing the total number of EITI Supporting companies to 50. EITI support among institutional investors has also been growing with several new investors signing the Investors' Statement on Transparency in the Extractives Sector, bringing the total assets under management of EITI supporting investors to over US\$16trn at the end of 2010.



### Promoting EITI peer-to-peer learning

■ As the number of countries implementing the EITI grows, so does the knowledge and experience of those implementing the EITI process. Although the EITI is different in each implementing country, many will face common challenges and obstacles. The EITI International Secretariat has emphasised the value of peer learning in the EITI family. Visits or technical assistance missions between implementing countries included Gabon and Chad, Yemen and Kazakhstan, Sierra Leone and Liberia, Timor Leste and Mozambique, Afghanistan and Mongolia, Ghana and Zambia, Tanzania and Liberia, and many others, during 2009 and 2010. The training cycle funded by the German government and implemented by InWent and the EITI Secretariat since 2008 has again provided a platform for knowledge transfer and peer learning for all 33 implementing and many outreach countries. The International Secretariat has also undertaken a series of Good Practice Notes, which highlight good practice in EITI implementing countries to ensure that all countries know what is being done well and where.

# The EITI builds trust and dialogue

Over the years the extractives sector has often become associated with mistrust, suspicion and hostility. Affected communities and ordinary citizens often assume that the government and companies are trying to keep the resource wealth for themselves and are undermining the economic development of the country through corruption and mismanagement. Conversely, extractive companies sometimes believe that governments and citizens are unaware of just how much they contribute to the greater economy

through paying taxes and royalties, job creation and infrastructure development. Despite the stakes being high, dialogue about these problems is often lacking between stakeholders. The EITI helps to address this through creating a platform for discussing and information sharing for governments, companies and civil society. In implementing countries, the EITI is providing a tool for building confidence and trust at a national level and in communities affected by oil, gas and mining activities.

## ■ IRAQ CREATING AN ENVIRONMENT FOR RECONCILIATION

Iraq's recent tumultuous history is as familiar to everyone as its enormous oil wealth. With increasing stability and a post-Saddam government elected and installed, the government's focus has turned to national growth, development and reconciliation. Better, more equitable and more transparent management of the oil sector will be key to that. Iraq accordingly began to implement the EITI in February 2010. In September 2010, the Iraq EITI multi-stakeholder Council was established. Conscious of the role of corruption, mismanagement and distrust in fuelling instability, the Iraqi Government has made a special effort to make the EITI inclusive. We are already seeing the power of the process to create a platform for dialogue, bringing stakeholders who never imagined meeting each other together to discuss key data and critical next steps. However, building trust in a resource-rich post-conflict environment like Iraq may take years. The commitment from government will need to be sustained to fully develop a culture of transparency and accountability. The EITI is just a contribution to wider bold steps in creating an environment for reconciliation. But building trust is a great place to start.

**Alaa El-Deen, EITI National Coordinator, Inspector General, Ministry of Electricity, Iraq**

## ■ TIMOR LESTE BUILDING DIALOGUE AND UNDERSTANDING

The increased transparency brought about through implementing the EITI has had many positive impacts in Timor Leste, but one of the most important has been the opportunity to build a dialogue between

all stakeholders in the country. This dialogue is helping to minimise distrust between groups regarding the management of the country's oil resources. One unique aspect of our experience with the EITI has been the educating of the general population about the financial flows to the country from the oil sector. People can now know how much money the government is receiving from the oil sector and follow the money to see how much is being spent on the budget and how much we are saving in the oil fund. By reducing mistrust and increasing people's understanding of how the oil sector works, we have been able to hold constructive debates among all stakeholders regarding the overall management and use of money received from the extraction of our natural resources. The cooperation of government, civil society and companies is something that likely would not have developed in Timor Leste, if not for our implementation of the EITI.

**Manuel de Lemos, EITI National Coordinator, Timor Leste**

## ■ DEMOCRATIC REPUBLIC OF CONGO BRINGING PEOPLE AROUND THE TABLE

In a vast country like the Democratic Republic of Congo, which is known for its diversity, it is not an easy task to bring everybody to the same table especially not after the country's long years of conflict. Through implementing the EITI we have slowly but surely created a dialogue and an atmosphere of trust among different stakeholders in a sector long ruled by obscurity and conflict. Investors are seeing positive steps to bring stability to the sector, thanks to the will shown by the government to implement the EITI. The EITI

helps companies to know their tax dues allows state representatives to understand why it is important to disclose all payments made by companies to the government. The EITI Executive Committee is having increasingly structured and focused debates about what the sale of oil and minerals yields for the DRC. However, figures provided by companies and state entities can only be credible with third party scrutiny. Congolese civil society takes this role seriously and will ensure that the state and the industry figures are genuine. A curious but unimpeachable coalition pursues a pragmatic aim

**Christian Mambu, National Coordinator, EITI DRC**



# The EITI improves governance

Transparency, participation, technical understanding and informed decision making, are all key characteristics of good governance. The EITI is helping to improve governance by creating a platform for open discussion about the management of the natural resource sector. Through the EITI reporting process, the revenues accruing to governments from extractive sectors are well documented and publicly disclosed. Knowing how much money is coming into government from different sources is a necessary first step in ensuring that those

resources are better managed. The public disclosure of these figures allows for greater scrutiny of how the revenues are being used and provides an important base for government and public debate on the management of public finances. Additionally, by providing detailed reporting and inviting public participation, a government demonstrates its commitment to good governance and builds confidence in public institutions.

## ■ MALI

### MANAGEMENT OF RESOURCES IMPROVES WITH TRANSPARENCY

Since joining the EITI, Mali has taken steps to ensure greater transparency in the mining sector and greater development benefits for the Malian people. For long, there had been little official information in the public domain regarding the use of revenues accrued from gold. EITI implementation prompted our Parliament to pass a law establishing a special trust account for the use of mining revenues, thus bringing much needed transparency in resource wealth management. The law mandates the Government to ensure that some of the gold revenues are directed towards regional development and environmental protection.

With the creation of this account, citizens have access to information on how taxes, royalties and dividends paid by extractive companies and reported under the EITI are contributing to local and national development. Access to this information has greatly reduced suspicion and tensions around the management of mineral resources. Stakeholders in Mali say they are proud that the EITI is serving as a conduit to enhance accountability and to consolidate social peace and that it contributes to building trust between government, people and resource companies operating in Mali.

**Dr Djibouroula Togola, Permanent Secretary, EITI Mali**

## ■ MONGOLIA

### CAPTURING MORE PAYMENTS, PREVENTING CORRUPTION

The Government of Mongolia made a decision on registration, accounting and reporting on received donations from extractive companies at all levels of state administration. To date, Mongolia has produced three EITI Reports and a major part of discrepancies was related to donations by companies. The decision was issued in March 2010, right after Mongolia EITI was recognised as close to compliance. This decision is expected to have a positive impact in establishing order and transparency with regard to company donations. Though donations in the Mongolian context are not mandatory, they are much needed, especially for the development of local communities and areas near mining operations. Donations are often considered a possible source of corruption and the registering and reporting of these will go some way to preventing corrupt practices. By capturing these payments, a better exchange of data and tax collection will also be possible and help to develop more responsible attitudes and behaviour among government staff.

**Sh. Tsoloman, Secretariat Coordinator, EITI Mongolia**



## ■ NORWAY

### VALIDATING GOOD GOVERNANCE

Norway was the first OECD country to initiate implementation of the EITI criteria. Transparency has been key for Norway since the start of the petroleum activities on the Norwegian continental shelf. By implementing the EITI, Norway hopes to encourage other countries to improve transparency in the management of their extractive sector. But the EITI reporting and reconciliation has also served to validate the figures that are published elsewhere, including in the government accounts.

Control of the money flows in the petroleum industry is important because these resources are so crucial for Norway's economy and welfare. I am pleased that the Norwegian EITI Reports confirm that we have good control and audit systems in place and transparency in the financial flows. When one in the reports sees how large the figures are, one understands that control and transparency is important.

**Terje Riis-Johansen, Norwegian Minister of Petroleum and Energy**

# The EITI contributes to empowering communities

The natural resource wealth of a nation belongs to its citizens. Exclusion of civil society in making decisions regarding natural resources has contributed to mismanagement, a lack of accountability, and increased opportunities for corruption in public institutions. By requiring that civil society organisations play an integral role in the design, monitoring, and evaluation of EITI reporting processes, a platform is created for civil society to engage safely, freely, and independently with the companies and government institutions involved in the extractive sectors.

Through the EITI process, civil society organisations improve their understanding of the extractive industries, better equipping them to ensure that the revenues from the exploitation and sale of natural resources are being managed in the public interest. The EITI helps to empower civil society by enabling individual citizens, and oversight and advocacy institutions, to access and monitor information on revenues from natural resources which they did not have before.



## ■ INDONESIA

### OPENING NEW DOORS TO CIVIL SOCIETY

Indonesia only became an EITI Candidate country on 21 October 2010, so we are relatively new to the EITI. However, we are not new to the challenges of civil society playing a role in the management of our natural resources. In this way the impact of EITI is already being felt within the country. There is already increased dialogue between government, industry and NGOs, empowering NGOs in new ways. Since becoming an EITI Candidate, civil society representatives have participated in a ministerial level meeting on natural resources, which was, to my knowledge, the first time in Indonesia. This increased interaction between government, industry and civil society has already started to lay new foundations for improved civil society participation in natural resource management discussions.

**Muhamad Husen, EITI Indonesia, Deputy assistant for oil, Coordinating ministry for economic affairs**

## ■ LIBERIA

### ENABLING COMMUNITIES TO DEMAND ACCOUNTABILITY

Conscious of the role of corruption and distrust in fuelling the war, the Liberian Extractive Industries Transparency Initiative (LEITI) has made special efforts to be inclusive – covering the mining and oil sectors and other main export sectors including rubber and forestry. There have also been extensive efforts to raise awareness of the initiative across the whole country through consultations with communities and other stakeholders. The findings of the country's first two EITI Reports were widely disseminated through town hall meetings, radio programmes, newspaper articles, and posters of the data in every public building. Through the LEITI issues such as corruption, proper collection of revenues and fair sharing of benefits between communities and national authorities are being openly discussed with the companies and government in a safe, non-combatative environment.

For example, the first LEITI Report contained an unresolved discrepancy of over US\$100,000 in withholding income tax. A subsequent investigation established that the discrepancy was the result of fraud perpetrated by a mining company employee. The company duly paid the tax, and has also shored up its financial systems against such frauds. The government has also enhanced the Validation of tax receipts, which has contributed to improved revenue collection.

**T. Negbalee Warner, former Head of LEITI Secretariat**

## ■ NIGER

### BUILDING DIALOGUE AND UNDERSTANDING

Giving a voice to affected communities In Niger, disputes over the impact of mining have fanned tensions between communities, extractive companies and authorities since the early 1990s. This situation has led a group of journalists and activists from the Réseau des Organisations sur la Transparence et l'Analyse Budgétaire to organise awareness raising caravans in the main mining regions, which are among the poorest in the country, to reach out to local populations. The caravans visited remote localities where public meetings and radio debates were held on the benefits of transparency and dialogue through the EITI and the new mining law that provides 15% of mining revenues to communities. This was the first time these communities had access to information on mining revenues and were able to share concerns on mineral extraction. Today the communities hope that the EITI will continue to give them a voice so they can hold their leaders to account for the management of mineral wealth. When gold and minerals are found in our region, there should be a benefit not only for mining companies and a handful of people but also for the owner of the land, for local populations, and for the country.

**Alzouma Mounkaila Imro, President of the Youth Association for development in Tillabéri, Niger-PWYP Coalition**

# The EITI improves business climate

In order to maximise the returns on their operations and investments, companies and investors want to invest in countries governed by transparency and fair rules. As taxpayers, they also have a right to be part of the public discussions with governments about the extractive sectors. In implementing countries we can clearly see how the EITI process is creating a forum for greater engagement between companies and government on the effective management of the sector. The EITI also gives them a platform to engage with

their stakeholders and external audiences, including local communities, where they can discuss their full financial and social contributions. As governments lead the EITI process, the initiative helps to demonstrate its commitment to promoting a more transparent business environment which improves governance, reduces corruption and enables companies and investors to better assess the stability and sustainability of their investments. This in turn helps to attract companies with strong transparency and governance principles.

## ■ AZERBAIJAN GETTING RECOGNITION FOR BETTER MANAGEMENT PRACTICES

Because of the EITI the government has been able to build good cooperation with civil society. Now citizens can open the EITI Report that we produce twice a year and easily learn about revenues from the oil, gas and mining sector. This increased transparency has not only helped to improve relations with civil society, but has also contributed to improving the business climate and image of Azerbaijan with both domestic and international investors. This was most recently demonstrated when the international credit rating agency, Fitch Ratings, upgraded Azerbaijan's sovereign credit ratings. Fitch Ratings specifically pointed to the transparency of SOFAZ (the State Oil Fund), as well as Azerbaijan's EITI Compliant status, as a source of "comfort" for risk analysts, helping to reduce perceived risks in the management of oil and gas resources. Clearly Azerbaijan's EITI Compliant status directly contributes to improving our sovereign risk ratings by demonstrating that increased transparency is improving the business climate.

**Farid Farzaliyev, EITI National Coordinator, Azerbaijan**

## ■ GHANA CREATING AN ENVIRONMENT SUPPORTIVE OF BUSINESS OPERATIONS

Newmont Mining Corporation has been a participant in the EITI since 2003. The Africa region is where we have been most actively involved in EITI, specifically in Ghana, and especially so now that Ghana has been become EITI Compliant. We find that the transparency produced by participation in



the EITI process and its inherent requirements have helped create an improved business climate of trust and credibility. Newmont also finds it very encouraging that the Ghanaian government is moving to implement the EITI process at the local level as well. This certainly induces a greater awareness on the part of citizens about the existence and uses of mineral wealth for their benefit, therefore creating an environment of increased support for our business and operations.

**Mr Jeffrey Huspeni, Regional Senior Vice President, African Operations for Newmont Mining Corporation**

*Liberia is implementing the EITI because it doesn't need any kind of foreign direct investment, but because it needs quality foreign direct investment. Liberia needs to attract responsible investors, who take into consideration the wellbeing of citizens living in places where they operate in addition to making profits for themselves.* HE ELLEN JOHNSON-SIRLEAF, PRESIDENT OF LIBERIA

## ■ DEMOCRATIC REPUBLIC OF CONGO STABILITY IS NECESSARY FOR LONG-TERM INVESTMENTS

Tenke Fungurume Mining (TFM) is an affiliate of US-based mining company Freeport-McMoRan Copper & Gold. Since initial copper production in March 2009, TFM has transformed from a development project to a successful and productive mining operation, the largest in the DRC. In the brief period that we have been operating, TFM has produced more than 200,000 tonnes of copper and 12,000 tonnes of cobalt, and studies are presently underway to evaluate optimization and expansion phases that will allow the project to grow significantly. Today we have more than 4000 Congolese directly employed or working through contractors, each of whom is – along with TFM – contributing to the growth and development of the DRC. We are pleased to be working as partners with the DRC on this project and proud of the accomplishments that have been made. Freeport-McMoRan supports the EITI because long-term investments require stability. In a country like DRC, where fiscal reform has yet to gain momentum, the EITI can help both companies and the State monitor the flows of taxes, fees and royalties owed and paid to the State – this is key for secure and long-term financial planning for both private companies and the host country.

**Mark Mollison, Vice President of Tenge Fungurume Mining, an affiliate of U.S. mining major FreeportMcMoRan**



# EITI Reporting

## EITI REPORTING GAINS MOMENTUM

Regular publication of timely, reliable, and easily accessible financial information, disclosed by governments and companies, and subject to third-party verification is at the core of the EITI model of improving natural resources governance. So far, 23 of the 33 countries implementing the EITI have issued reports, providing citizens with access to information on earnings from their extractive sectors, often for the first time. In the 59 EITI Reports published by these 23 countries by January 2011, a total of US\$400bn in government revenues has been published and the number of reports has more than doubled since 2009. Reports serve as a basis for discussions on the appropriate use of natural resources to the benefit of society as a whole. By producing EITI Reports, implementing countries are making steady progress toward greater transparency in the extractives sector.

## PROGRESS IN IMPROVING QUALITY

There has been steady improvement in the quality of EITI Reports published both in terms of timeliness and comprehensiveness of data disclosed. Countries are learning from their own experiences as well as from other implementing countries through the good practice notes published by the EITI International Secretariat. Accessibility to the information reported is improving through a

better presentation of the financial information being disclosed and various dissemination methods. There has also been a significant decline in the lag time between the reporting period and the publication date in most countries. While the first two years of implementation tend to focus more on institution building, reporting is becoming routine thereafter in most implementing countries.

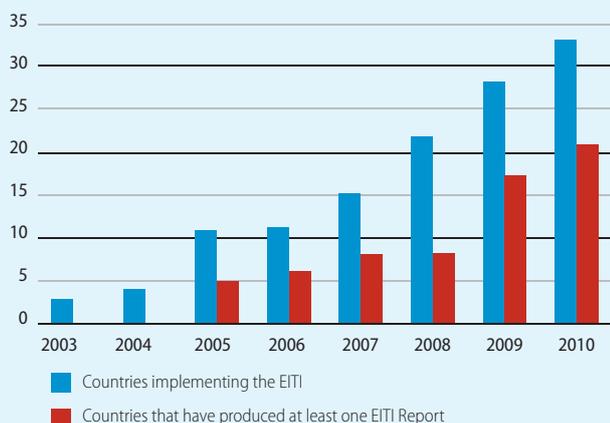
## THE REACH OF EITI REPORTING HAS EXPANDED

The breadth and depth of EITI reporting has expanded significantly in the last two years. Sectors covered by reporting have gone beyond oil, gas and mining to include, for example, forestry in Liberia. In addition, some countries have moved beyond their dominant extractives activities, such as the inclusion of mining in countries like Azerbaijan and Cameroon for example. Countries who have published multiple reports, such as Kazakhstan, Azerbaijan, Ghana, and Cameroon, are making steady progress toward full coverage of companies operating in the oil, gas and mining sector. The scope of reporting has also gone beyond government revenues and companies payments to include information such as government expenditures at the national and sub-national level in Ghana.

## EITI REPORTS CAN SERVE AS A REFERENCE AND FACILITATE KNOWLEDGE SHARING

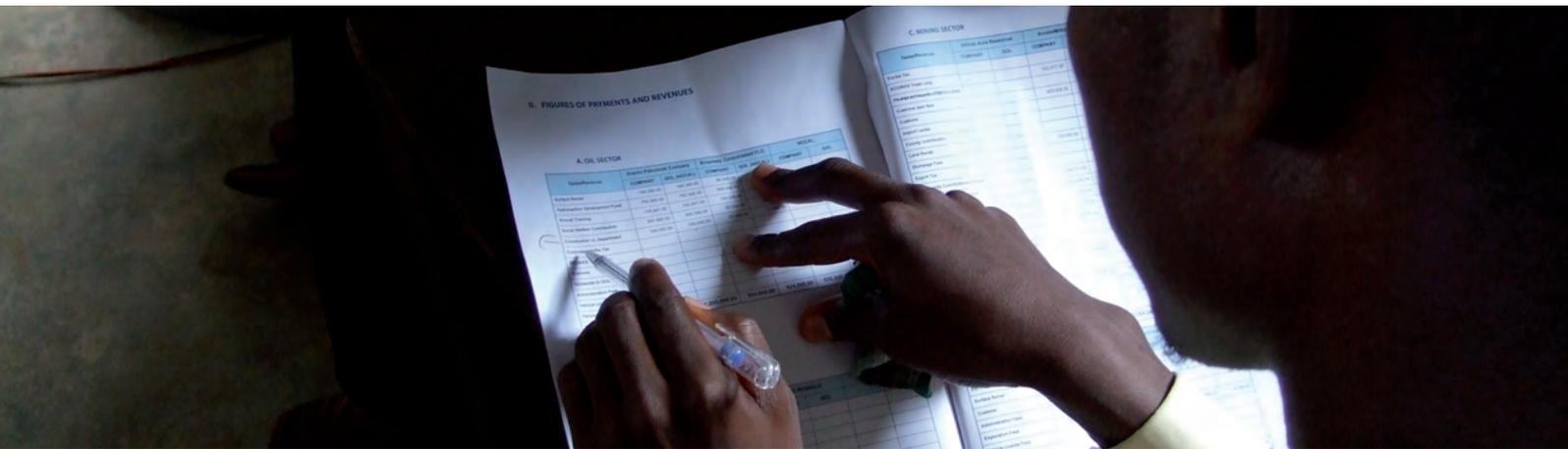
As the quality of EITI Reports continues to improve and publication becomes regular and widely available; their usefulness is becoming increasingly apparent. EITI Reports are beginning to satisfy the thirst for information on the extractive sector both at national and international levels from donors, companies, investors and civil society groups. As the reporting process matures in implementing countries it is also becoming increasingly embedded within the institutional framework of implementing countries through national legislations. Academics, journalists and other stakeholders are finding creative ways to use the information in EITI Reports to address important policy questions. Governments producing similar resources are also beginning to learn from each other through EITI Reports, and companies are getting better assessments of the costs and risks involved in doing business in different environments.

**Number of countries that are implementing and have produced EITI Reports**



**Population in EITI Implementing countries has doubled in the last 2 years, half of which has access to EITI Reports**





## Validation

### The quality assurance mechanism of the EITI

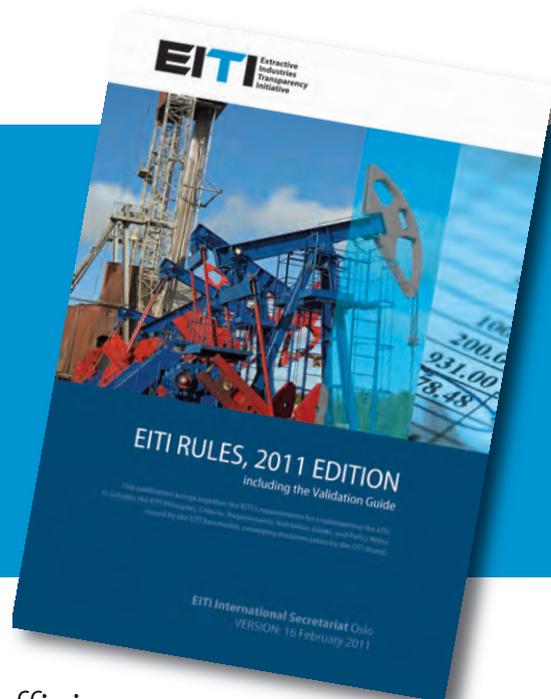
An extensive amount of EITI Validation work was conducted in 2009 and 2010. Validation is an essential element of the EITI global standard. It provides an independent assessment of the progress an EITI implementing country has achieved and identifies any measures that are needed to strengthen the EITI process. The Validation is carried out by an independent validator selected by the multi-stakeholder group, using the methodology set out in the EITI Rules. Candidate countries have two years to complete Validation. If the EITI Board considers a country to have met all Validation criteria, and to have implemented the EITI in accordance with the EITI Principles and Criteria, the country will be recognised as EITI Compliant. If a country has made good progress, but has not met all these requirements, the country may apply to retain its Candidate status and take the steps necessary to achieve compliance.

Azerbaijan was the first country to achieve EITI Compliant status in early 2009, while Liberia was the first African country to become EITI Compliant in October 2009. In 2010, a total of 17 EITI Candidate countries completed the Validation process. Citing exceptional circumstances, a number of countries sought an extension of the Validation deadline. In many cases an extension was granted, however, Equatorial Guinea and Sao Tome and Principe were de-listed from the EITI for failing to meet their Validation deadlines or provide sufficient grounds for granting an extension.

By November 2010, three more countries were found to be EITI Compliant: Timor Leste, Mongolia and Ghana; several more were found to be 'close to compliance' and are expected to have undertaken the necessary corrective actions to achieve EITI Compliant status in 2011.

The Validation process has proved to be challenging for all stakeholders, and has certainly put the EITI's rules and procedures to the test. MSGs in implementing countries have worked to ensure that the Validation reports thoroughly document achievements and lessons learned, while also exploring weaknesses in EITI implementation. In all decisions on Validation, the Board has placed a priority on the need for comparable treatment between countries and protecting the integrity of the EITI brand. To achieve this, the Board formed a Validation Committee with representatives from each constituency represented on the EITI Board.

Following the experiences of 2010, the emerging consensus is that Validation works. At the same time, the Board has agreed that further refinements to the Validation process and the EITI Rules are needed (see next page). Validation will continue to play a key role in the EITI in 2011 and beyond.



## EITI Rules

### Revisions to improve coherence and efficiency

Following years of preparatory work, the EITI standard was established at the third EITI Global Conference in Oslo in October 2006, where the International Advisory Group issued its final report (the IAG Report). In adopting this report, the EITI's stakeholders attending the conference reaffirmed their support of the EITI Principles and Criteria and of the Validation Guide. The Validation Guide set out the process for countries to be admitted as EITI Candidates, and – through Validation – to be designated as EITI Compliant. The Board subsequently agreed a series of policy notes to clarify issues such as the procurement and financing of validators, deadlines for completing Validation, and the procedures for making decisions regarding EITI compliance, delisting and suspension. At the fourth EITI Global Conference in Doha in February 2009, the Board consolidated these documents into the *EITI Rules, including the Validation Guide*. This publication also includes the Articles of Association for the EITI.

By the end of 2010, there had been 20 Validations and the EITI Rules and Validation guide had proved to be workable and robust. However, a number of countries found it impossible to complete Validation within the agreed timescale. Moreover, drawing on lessons learned in implementing countries and feedback from stakeholders, it became clear that revisions were needed to improve the coherence and efficiency of the EITI Rules.

In May 2010 the Board established four working groups to explore various aspects of EITI implementation: Protection of civil society, Reporting barter and social payment, Incentivising continuing compliance and Measuring outcomes. In October 2010, these working groups presented their findings to the EITI Board, including recommendations for strengthening EITI implementation and revisions to the EITI Rules. In December 2010, the Board established a Rules Revision Working Group tasked with assisting the Board with finalising a new version of the EITI Rules. All stakeholders were invited to provide comments, and the working group has reviewed dozens of proposals and suggestions.

While stakeholders often have divergent views regarding the need for rule changes, the working group has made rapid progress on several issues, notably changes to the sign-up requirements, clearer benchmarks for comprehensive, regular and timely EITI reporting, and clarifying the role of civil society organisations in EITI implementation. The requirements and deadlines for achieving EITI compliance have also been more clearly articulated. It has also been noted that as the EITI continues to grow, new challenges and best practices will emerge. Accordingly, the discussions regarding further changes to the EITI Rules are likely to continue beyond the Paris conference.

# Supporting implementation: Governments

EITI Supporting governments provide essential technical, financial and political assistance to the initiative. Supporting governments include Australia, Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Norway, Spain, Sweden, the United Kingdom the United States; and new supporters since 2009, Finland, Denmark and Switzerland. Multilateral support for the EITI has also remained strong with

both the G8 and G20 groups of countries re-stating their support for the initiative during their 2009 and 2010 summits in L'Aquila, Italy and Pittsburgh, USA, respectively. Below are statements from some of our supporting countries about the role the EITI is playing in improving transparency and accountability in the extractives sector around the world.

## ■ CANADA

Canada strongly supports the role that sustainably-developed natural resources can play in the promotion of economic growth and poverty alleviation. One of the pillars of Canada's National Corporate Social Responsibility Strategy is to support natural resource capacity-building initiatives in developing countries with the EITI as a key deliverable. Canada's engagement on the EITI with other governments, civil society organisations, and industry representatives, aims to improve transparency and accountability in the extractives sector for the sustainable development of natural resources.

The Government of Canada has profiled the EITI in several fora. Domestically, Canada has held national outreach sessions to promote the EITI amongst Canadian stakeholders. Internationally, Canada has supported the EITI through its diplomatic missions. Canada has provided technical and financial support both to the EITI Secretariat and World Bank Multi-Donor Trust Fund. Lastly, Canada has participated as a member of the EITI Board since 2009, and has played an active role on the Board's Validation Committee.

**Mark Pearson, Director General, External Relations, Science and Policy Integration, Natural Resources Canada**

## ■ GERMANY

Germany believes the EITI has an important role to play in establishing a transparent, efficient and development-oriented management of revenues generated from the extractive sector. Supporting EITI is an important part of Germany's development cooperation which overall focuses on the promotion of good governance in its partner countries. In particular, Germany is promoting good governance in the extractive sector multilaterally (e.g. United Nations, G8, G20) and on a bilateral basis.



At the international level, Germany plays an active role on the EITI Board, as well as providing funding to the World Bank EITI Multi-Donor Trust Fund and the EITI International Secretariat. At the country level, German bilateral technical support for the implementation of the EITI covers DRC, Ghana, Liberia, Sierra Leone, the CEMAC (Cameroon, Central African Republic, Chad, Republic of Congo, Equatorial Guinea, and Gabon). The German government also funds a large EITI training programme to strengthen ownership and peer-learning between EITI practitioners. Germany itself is also benefiting from the EITI, as it is triggering a dialogue about transparency in the extractive sector between the German government and German companies active in these industries.

**Dominik Ziller, Deputy Director General at the German Federal Ministry for Economic Cooperation and Development and EITI Board Member.**

## ■ THE NETHERLANDS

The EITI brings together the positions and priorities of a very diverse group of actors to carry forward a common goal. We see this as one of the EITI's main strengths and an important achievement. After all, to kick-start and create initial enthusiasm for such a novel process takes a lot of time, energy and dedication; to gather and sustain broad support and a strong momentum is perhaps even more impressive. In this sense, the EITI can be considered a success already. We look forward to our continued involvement in further shaping and strengthening the initiative as it faces challenges such as broadening and diversifying the community of implementing countries; establishing visible and irrefutable evidence of the impact and benefits of implementation; and helping countries maintain and build on EITI momentum after reaching Compliant status. After all, the EITI is not a goal by itself; it's a first step in a broader agenda to improve governance in the extractives sector. With this in mind, the Government of the Netherlands has been and will continue to be a strong supporter of the EITI, through a long-term financial commitment to the EITI Secretariat and a substantial contribution to the EITI Multi-Donor Trust Fund.

**Jelte van Wieren, Head, Good Governance Division, Netherlands Ministry of Foreign Affairs**

## Supporting implementation: Civil society

International civil society organisations such as Revenue Watch Institute, Global Witness and the Publish What You Pay coalition have been a driving force in the EITI since the initiative was first put forward in 2002. It was a direct result of the pressure from international civil society groups on the issues of transparency and accountability in the extractive industries that the EITI was created. Our civil society partners

are active members of the EITI Board and are an essential part of the stakeholder mix that makes the EITI work. They play an important role in country-level implementation, providing technical and financial support to local civil society in the areas of training, advocacy, media, assessment and facilitation efforts.

### ■ GLOBAL WITNESS

The EITI gives civil society activists something which they have rarely or never had in some more autocratic countries: the space and the right to sit and discuss natural resource revenues with government officials and with companies. In more open societies, the specificity and detail of EITI reporting can improve the quality of discussion, not just for civil society groups but also for governments which, in some cases, seem to have got a better handle on the flow of revenues into their own accounts as a result of EITI reporting. The test will now be to extend the reach of the EITI upstream to the crucial licensing and contracting processes which determine the relationship between company and country for many years, and to find ways to ensure that transparency can grow beyond the EITI into the spending of revenues by governments.



### ■ REVENUE WATCH INSTITUTE

The Revenue Watch Institute (RWI) was encouraged to see Iraq, Indonesia and Timor Leste move ahead in the EITI during 2010. Much of RWI's earliest work focused on good governance in Iraq's oil sector, and we are hopeful that key Iraqi leaders will remain committed to reform. In Timor Leste, the local NGO forum worked closely with national and international experts to ensure that civil society stayed engaged in the EITI process, a crucial element of the country's success in reaching Compliant status. Indonesia demonstrated strong EITI leadership, setting an example for other countries in the Asia Pacific region. RWI looks forward to working with its donors, grantees and coalition partners to improve the quality of EITI Reports, accelerate the EITI's progress and to ensure that implementation in each country meets and exceeds EITI standards.

### ■ PUBLISH WHAT YOU PAY

PWYP members in EITI countries participate in the national multi-stakeholder steering committees that oversee the initiative's implementation and play an important watchdog role, monitor national implementation and advocate for strengthening national EITI processes. Civil society in implementing countries has called for the EITI to be enshrined in national law in order to ensure its sustainability and for the production of regular and timely reports. The impact of EITI on the ground can be greatly increased with better communication and public understanding of EITI Reports. There are also limitations on meaningful analysis and use of EITI Reports which contain aggregated figures, rather than the more detailed company-specific figures that civil society would like to see. Despite the challenges that remain, PWYP believes that the implementation of EITI sparks important discussions about the management and use of natural resource assets. The acceptance of revenue transparency as an important component of good governance is opening up spaces for civil society, including in countries with difficult operating environments. The increased engagement between governments, companies and civil society is critically important to translate the outputs of EITI into benefits for the citizens whose lives the EITI is designed to improve.

# Supporting implementation: Companies

While national governments are ultimately responsible for implementing the EITI, the cooperation and support of companies is vital for a successful EITI programme. The list of EITI Supporting companies grew from 40 to 50 in the last two years, incorporating many of the world's largest oil, gas and mining companies. Non-extractive companies have also been realising the importance of the EITI, seeing how transparency can be of benefit further down the value chain in the areas of energy distribution and manufacturing. Over 200 companies and their affiliates reported their payments in 23 EITI implementing countries during 2005-2010. The EITI is also supported by over 80 institutional investors with total assets

under management of more than US\$16trn. Companies are supporting the EITI at both the international and local levels. The in-country operations of Supporting companies often serve on national EITI multi-stakeholder groups, providing important guidance and giving technical and material support to national EITI secretariats. Supporting companies have cited the role of the EITI in helping them to connect with local stakeholders and improve relations as a primary benefit of their involvement. At the international level supporting companies have been active on the EITI Board since its establishment in 2006 and have helped to spread the EITI message through media, business forums and industry associations.

## ■ CLEAR BENEFITS FROM WORKING TOGETHER

The World Bank has characterised the EITI as a multi-stakeholder global initiative that in a relatively short period has gained more traction than any other analogous organisation in any sector. Chevron is proud to have been closely associated with the initiative from the beginning. The EITI has succeeded for several reasons but primarily because it is a voluntary initiative, where producer countries take the lead. It has flourished through its consensus building coalition, where both in-country and at Board level, implementing and supporting governments, civil society, and industry work together as equal partners. This approach, which has been a key element of EITI from its inception, has promoted wider understanding between these constituencies and has been central to the initiative's success.

Consequently, the EITI is increasingly seen as the global standard for promoting improved governance through revenue transparency, and Chevron has benefited as a result. We look forward to continuing our involvement with the EITI Board and as a local supporter in implementing countries.

**Chevron**



## ■ WHEN TRANSPARENCY RESPECTS SOVEREIGNTY AND FAIR COMPETITION

Total has supported the EITI from the beginning as it precisely corresponds to the company's approach in the countries where we operate. For us, "acceptability" by host countries is key to our business and first requires to respect their populations, their sovereignty, their laws and to be transparent. We feel the EITI process fully complies with this as it is implemented by governments themselves. However, to be truly effective, EITI processes require sincere commitment and participation from all stakeholders. From Total's perspective, the EITI process is well suited to promoting transparency for good governance, while at the same time

recognizing the very competitive nature of extractive industries. This provides for the safeguarding of fair competition principles, allowing companies to engage in the EITI process without fear of undermining their own business interests.

**TOTAL**

## ■ EITI PROCESS HELPS COMPANIES ENGAGE WITH COMMUNITIES

The member companies of the International Council on Mining and Metals are long-term investors with a strong interest in the stability and social progress of the communities and countries where we invest. That is why ICMM was amongst the earliest supporters of the EITI. ICMM sees the EITI as important in improving the governance of resource revenues, in reducing opportunities for corruption and for improving development outcomes in mineral-dependent economies.

Our member companies see the benefits of involvement in EITI at a country level through increases in trust and a growth in dialogue between governments, civil society and business. Too often in the past the contribution – especially in terms of taxes and royalties – which our operations generated were not visible or understood, leading to allegations of bad faith or a sense of our host nations being short-changed. Increased transparency, including about transfers to a regional level in countries like Peru and Ghana, are improving the quality of debate and starting an essential discussion about how time-limited resource revenues are best spent to achieve sustainable development.

**Anthony Hodge, ICMM president**



By being supporters of the EITI, we demonstrate our support for anti-corruption efforts which in turn contributes to an improved operating environment and reduced political risk in the countries where we operate.

BARRICK GOLD CORPORATION

# Supporting implementation: International Financial Institutions

International financial institutions (IFIs) play an important role in supporting the EITI around the world. With the 2009 announcement of support from the Inter-American Development Bank, the EITI is now supported by all major IFIs including the African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank (EIB), International Monetary Fund, and World Bank Group. Our IFI partners are key suppliers of technical and financial support in many countries implementing the EITI and serve to promote EITI principles in their project-financing and country programmes. A number of

IFIs have committed to mainstreaming the EITI in their lending and technical assistance activities, while some have adopted compulsory disclosure requirements for projects in the extractive industries. The EITI International Secretariat continues to engage with important project financiers such as the International Finance Corporation (IFC), EIB and Germany's KfW, to provide guidance on how they can best support the EITI. As key facilitators of capital mobilisation for many extractives sector projects, their policies on governance and transparency can have a direct influence on the business activities of their client governments and companies.

## ■ HELPING MORE AFRICAN COUNTRIES GAIN EITI COMPLIANCE

The African Development Bank has been working with its member countries to improve governance in the extractive industries through EITI since 2006. The AfDB has actively supported the EITI process in more than ten African countries, including Central African Republic, Guinea, Madagascar, Mozambique, Liberia, Tanzania and Togo. In 2009, Liberia became the first African country and the second country in the world to become EITI Compliant and the AfDB aims to help other African countries to emulate this major achievement.

For this reason, the Bank is also involved in initiatives that complement EITI and has supported strengthening the capacity of the institutions involved with extractive industries as part of its governance efforts. The Bank is also committed to mainstreaming governance principles in its private sector mining operations. The Bank is acutely aware of the necessity of a comprehensive approach to sound revenue management in Africa. We at the Bank therefore remain committed to promoting EITI, to encouraging the application of its principles and methods to all natural resources, and to taking a comprehensive approach to the entire value-chain of resource management.

**Kamal El Kheshen, Vice President,  
African Development Bank Group**

## ■ STRONG AND COMMITTED LEADERSHIP GENERATES REAL IMPACT

Support for EITI is integral to the World Bank Group's (WBG) strategies for the extractive sectors and governance and anti-corruption generally, and is a key component of WBG work as a development partner with many resource-rich countries. As Ms Obiageli Ezekwesili, Vice President, Africa Region, notes: "The last two years of progress demonstrate that strong and committed leadership makes a real difference. Real impact has been achieved through effective implementation of the EITI principles. It is possible to build citizen trust in resource endowed nations; it is possible to build private sector confidence; and it is possible to deliver a tangible improvement in economic well being."

The World Bank-administered EITI Multi-Donor Trust Fund (MDTF) is working in close collaboration with the donor country partners (Australia, Belgium, Canada, European Commission, Finland, France, Germany, Netherlands, Norway, Spain, Switzerland, United Kingdom, and United States), the International EITI Secretariat, the EITI Board and its members and other EITI supporters to achieve implementation of the EITI Principles and Criteria in around 50 countries, including countries interested in adopting EITI. Ultimately, the WBG/MDTF goal is not just to help a country become EITI Compliant, but to help that country to develop deep-rooted EITI processes, which will serve as a platform for continued progress towards good governance of natural resources.

**World Bank Group**

## ■ OBSERVABLE IMPROVEMENTS IN REVENUE REPORTING AND TRANSPARENCY

The IMF has supported the EITI from the beginning because it shares with the EITI the strong belief that transparency and accountability in the management of natural resources are among the key prerequisites for economic development. Parallel to the launch of the EITI, the IMF drafted its Guide on Resource Revenue Transparency. In 2011, the IMF will start to scale up its technical assistance in the management of natural resource wealth, including support to in-country EITI processes. IMF country teams benefit from the EITI process and EITI Reports in their work, using EITI progress to help gauge the government's commitment to fiscal transparency and as markers in IMF programs. They have observed improvements in revenue reporting thanks to EITI and encourage implementing governments to continue to improve the quality and timeliness of EITI Reports, and reconcile EITI data with budget data. In Mauritania and Mozambique, the EITI was used as a measure for assessing the progress on fiscal transparency by the IMF. In Liberia, "the regular reporting of payments and revenues in the extractive industries in line with the EITI criteria for a period of at least a year" was a requirement for obtaining debt relief. A number of countries also opted to include specific progress on EITI among their program commitments to the IMF.

**International Monetary Fund**



## The future of the EITI

The first principle of the EITI, agreed in 2003, is that “the prudent use of natural resource wealth should be an important engine for sustainable economic growth that contributes to sustainable development and poverty reduction”. That outcome does indeed not necessarily happen when a country becomes EITI Compliant. To ensure sustainable development and poverty reduction, the EITI has to be an incremental, on-going process. If the EITI stops in any country, it has failed in that country. Although it is a significant achievement for any country to become EITI Compliant, it must be remembered that the EITI is a minimum standard. It must also be implemented alongside other governance efforts.

The extent to which the EITI has been successful rests largely on its narrow focus and clear mandate. This should however not be understood as a lack of ambition. It is precisely this tight focus that makes the EITI successful in fostering wider change and being adaptable to differing circumstances. Flexibility derives from a narrow core. To understand this, we have to be clear that the EITI has never claimed to be the magic solution to the resource curse. Revenue transparency by itself is not enough to ensure that natural resource wealth generates benefits and development for a country's citizens. Revenue transparency through the EITI, is necessary, but not sufficient.

Nigeria's reports, for example, do not just cover financial payments, but also physical flows of oil and gas. They also undertake an audit of the governance process of the oil and gas sector. The result are reports that not only say how much money comes in, but that also raise questions about how much should come in and how it should be governed. Ghana's reports show how the revenues received at subnational level are spent. Half the EITI countries are now producing reports detailing payments company by company. More countries need to use their EITI reports to answer the questions that their citizens want to know. And there needs to be more comparative analysis of the reports to understand better how different countries are benefitting from their resources. In this way, the EITI will become a platform for champions of reform and transparency in governments around the world.

To create this platform, the Board will have two main roles in 2011-2013: strengthening EITI implementation and effectiveness in the 33 implementing countries, and continued targeted outreach activities.

As the EITI's quality assurance mechanism, Validation is enhancing transparency efforts and can lead towards corrective actions in the implementation of the EITI. Once countries have completed Validation, whether or not they are deemed Compliant, the Board will provide guidance and support in strengthening the process.

This work is carried out in close collaboration with host governments and national multi-stakeholder groups in-country, and with various organisations that provide political, technical or financial support to EITI programmes.

However, there are still many countries, such as South Africa, of significant political, resource-endowed or fragile status, yet to join the process. The EITI will also work to encourage companies, investors and international development agencies to endorse the EITI and to provide political, financial and technical support.

All EITI stakeholders need to continue to be part of and support these efforts. This must be done by fair and rigorous implementation of the EITI Rules. It must be done by continuing to refine and improve EITI Rules. And it must be done by providing technical assistance and possibilities for implementing countries to learn from each other. Encouraging and incentivising implementing governments and their stakeholders will also be the principal task of the EITI in the coming years.



## Outreach to new partners

### ■ CHINA

Whenever the EITI is discussed with people not familiar with the initiative, it is not long before someone asks “what about companies from emerging economies, including China”? The EITI requires that all companies operating in a country implementing the EITI Report payments to governments under the EITI reporting process. Regardless of whether the operating companies are headquartered in Houston or Beijing, if the hosting government implements the EITI, they have to comply. Currently, Chinese companies are reporting in countries like Gabon, Kazakhstan, Mongolia and Nigeria. Further to this, the Chinese state-owned China National Petroleum Corporation (CNPC) has representatives serving on the EITI multi-stakeholder groups (MSG) in Iraq and Chad, and other Chinese companies are active participants in MSG discussions in Mongolia and Afghanistan.

In addition to this in-country collaboration, the Chinese government has contributed towards support for the EITI in several fora, notably supporting the UN General Assembly Resolution and to the many G8 and G20 declarations in support of the EITI. As part of efforts to expand support among countries and companies around the world, the EITI International Secretariat has together with supporters undertaken meetings with companies and government in Beijing, as large Chinese banks and national oil companies (NOCs) make it increasingly clear that they seek to adhere to international social and environmental standards in their activities and investments.

### ■ LATIN AMERICA

Peru published an EITI Report covering 2004-2007 in November 2009, becoming the first country in resource-rich Latin America to disclose revenues in accordance with the EITI. Trinidad and Tobago and Guatemala have been steadily working toward submitting an application for EITI candidacy, while other mineral rich countries such as Guyana, Suriname and Dominican Republic continue to discuss implementing the EITI. In Colombia and Bolivia, EITI implementation has been extensively discussed, and the EITI International Secretariat continues to work towards further buy-in within these governments. In Colombia in particular, sub-national implementation has been highlighted as offering potential benefits for the country. Oil companies Petrobras and Pemex continue to support the EITI.

### ■ SOUTH AFRICA

South Africa is the largest economy in sub-Saharan Africa and has plentiful natural resources including platinum, gold, coal and diamonds. There are a lot of reasons for South Africa to consider the implementation

of the EITI. The government is considering the link between the EITI and its efforts to strengthen tax administration and collection. The EITI also links to other global initiatives being implemented by the government, including anti-money laundering and the Stolen Asset Recovery (STAR) initiative. The EITI is also relevant to the on-going debate in South Africa over nationalisation and the promotion of understanding of the benefits of the mining industry with local communities in mining areas. For business, there is the opportunity to better demonstrate the contribution of the mining companies to the economy. And for civil society, the EITI presents an opportunity to engage in the management of the sector.

The EITI Chairman, Peter Eigen, met with Minister of Finance, Praveen Gordhan in May 2010 to discuss these issues. Since then, there has been on-going dialogue with many key players in the country.





## Communicating the EITI

Establishing regular disclosure of revenue streams is in itself of little use unless there is public awareness and understanding of what the figures mean. Effective communication is therefore a crucial element of the EITI process, and a requirement for EITI compliance. This question of how to communicate the results of the EITI has become more even more important since a majority of the implementing countries are now producing EITI Reports and have reached an advanced stage of the EITI process. Countries are undertaking a range of activities to disseminate the findings from the EITI.

Countries in the early stages of EITI implementation are also thinking strategically about how to communicate in order to secure participation by all stakeholders and to engage constructively with them. To make this happen, they aim to consult widely and early on with all groups. In order to facilitate this process many EITI countries have established a sub-group of their main multi-stakeholder steering group to specifically focus on communications issues; developed a communications plan; and appointed a person to work specifically with communications.

### ■ COMMUNICATING THE EITI IN PERU

In 2010 Peru conducted an extensive campaign communicating not only the EITI reconciliation report (2004-2007), but useful information about the EITI process and transparency in the extractive sector. The campaign focused on five producing regions: Moquegua, Ancash, Loreto, and Cusco y Cajamarca. In each region, an open forum was held followed by participation in radio station programmes. In each forum, representatives from all constituencies – industry, civil society and government – explained EITI reporting and other aspects of the initiative. The campaign was closed in Lima in July and EITI Chairman, Peter Eigen, participated in the campaign's closing activities including an interview in the popular TV current affairs program "La Hora N". An 8-page insert about the EITI was circulated in a national newspaper, while detailed information was presented through five technical leaflets that were widely distributed during the campaign. This included: What is the EITI?; the tax

regime including the hydrocarbon's royalty regime; and summaries of the EITI Report in the mining and hydrocarbon sectors.

**A children's theatre group performing a play about the EITI in Lome, Togo**



**These t-shirts were produced as part of an awareness raising campaign on EITI in the streets of Abidjan, Côte d'Ivoire**



## SHARING EXPERIENCES, LEARNING FROM EACH OTHER

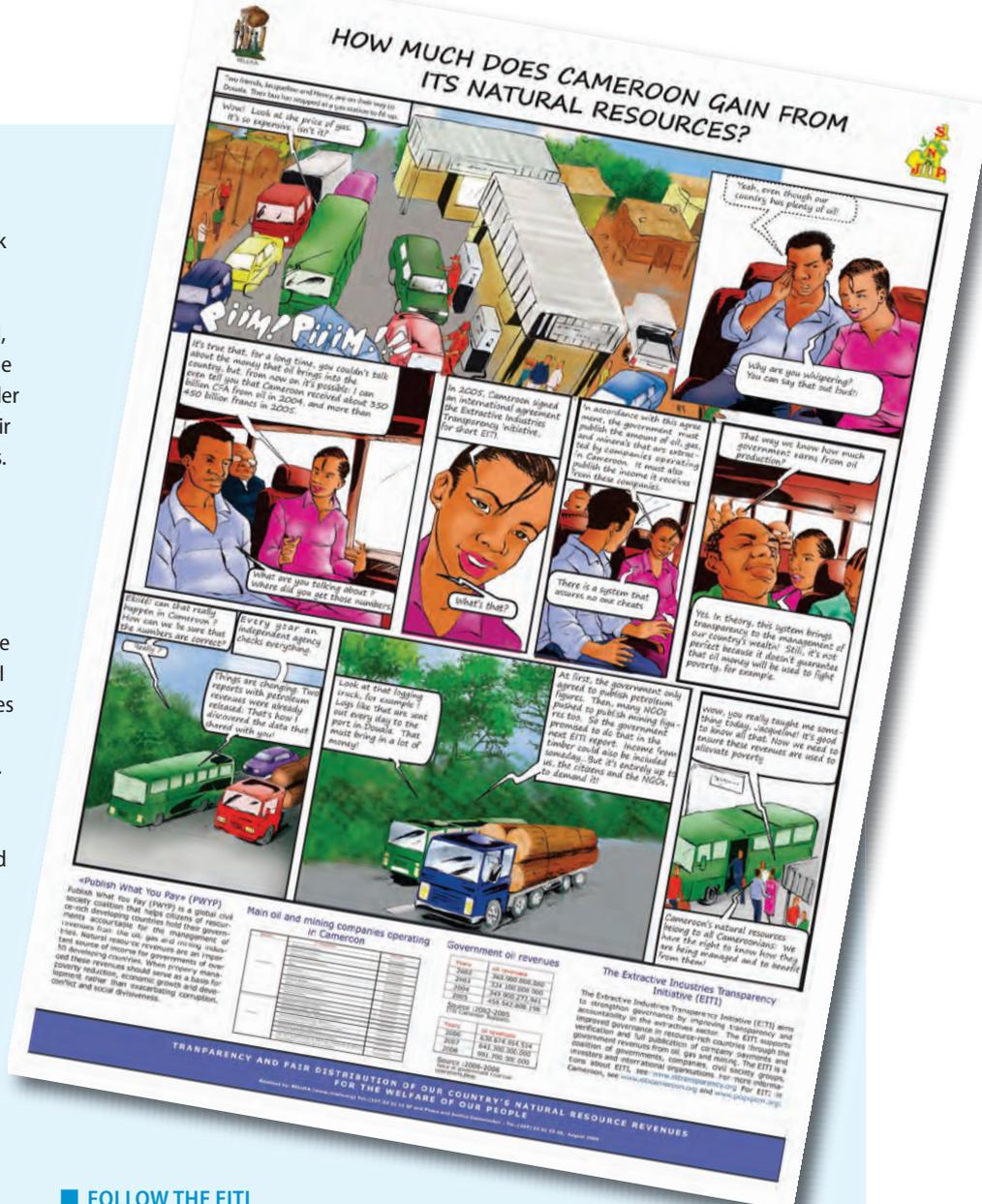
In May and June two seminars on communications for EITI implementers took place in Berlin. The seminar were jointly organised by the International Secretariat and InWEnt Capacity Building International, Germany. Communications experts from the national EITI secretariats or multi-stakeholder groups were brought together to share their experiences and learn from leading experts.

## GOOD PRACTICE NOTES

The EITI Good Practice Notes provide examples of ways implementing countries can improve implementation. Good Practice examples are not intended to elaborate EITI requirements, but only to highlight practices that go beyond the basic requirements for EITI compliance in implementing countries. The Good Practice Note 1: EITI Reporting gives guidance on the structuring, content and presentation of data in EITI Reports and on how to make EITI Reports as accessible as possible to readers. For Good Practice Note 2: Communications, the International Secretariat reviewed communications activities in different EITI countries and gathered together examples of effective and innovative ways to strengthen communicating the EITI.

## EITI INTERNATIONAL WEBSITE

Keeping all EITI stakeholders informed is a key objective of the International Secretariat. In May 2009, the EITI website was relaunched with the new address [www.eiti.org](http://www.eiti.org). The site receives on average over 10,000 visitors a month from all over the world, and is also available in French and Russian. The EITI Blog gathers together ideas about the role of transparency and natural resources in creating economic growth and fighting poverty and corruption. The blog is authored by members of the EITI Secretariat and key stakeholders. A Resources section contains a comprehensive list of our main publications as well as a research library about revenue transparency and extractive industries.



## FOLLOW THE EITI

In addition to the EITI Newsletter and the EITI website, there are other ways of staying in touch with the EITI online.



**Twitter**  
[twitter.com/EITlorg](http://twitter.com/EITlorg)



**Facebook**  
[facebook.com/EITlorg](http://facebook.com/EITlorg)



**Flickr**  
[flickr.com/EITI](http://flickr.com/EITI)



**SlideShare**  
[slideshare.net/EITI](http://slideshare.net/EITI)



**YouTube**  
[youtube.com/EITlorg](http://youtube.com/EITlorg)



**Feeds**  
[eiti.org/rss/news](http://eiti.org/rss/news)  
[eiti.org/rss/blog](http://eiti.org/rss/blog)

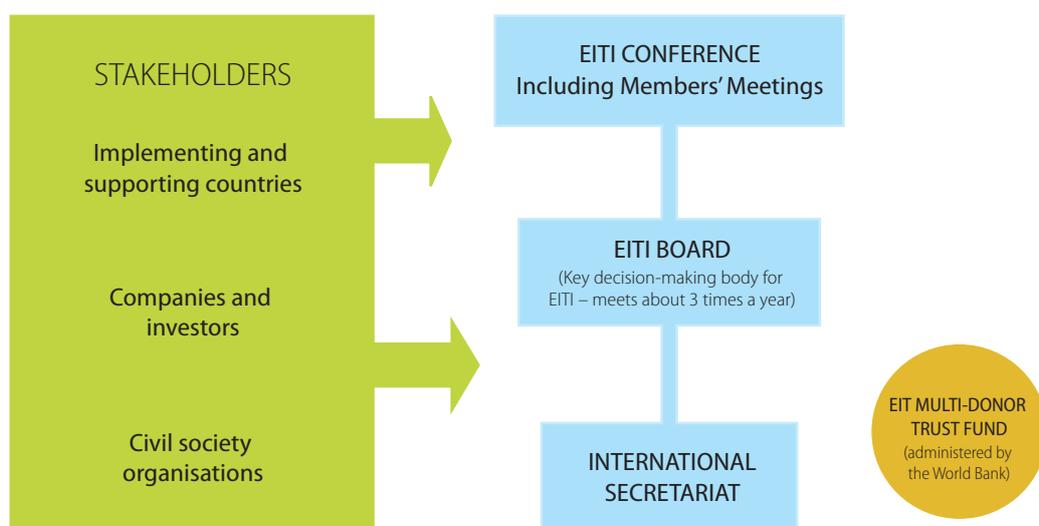
**Cameroon EITI produced cartoons to illustrate how the EITI gives citizens information to hold leaders to account**



# EITI governance, management and funding

The EITI has evolved from an initiative into a set of principles, into a set of criteria, into a global standard with rules and procedures. The governance of the EITI itself has also evolved: following the International Advisory Group's reporting to the Global Conference in Oslo in 2006, the EITI International Board and EITI International Secretariat were both established. At the February 2009 Doha Conference, the EITI International Board further refined the structure and the EITI Association was created as a non-profit organisation under Norwegian law, which includes member countries and supporters. The EITI holds a global conference once every two years, bringing together all its key stakeholders. Alongside these conferences, a smaller

Members' Meeting with the three constituency groups – countries (implementing and supporting), companies (including institutional investors) and civil society organisations – takes place, with all groups equally represented. The main task of the Members' Meeting is to appoint an EITI International Board for the next two years. Between the global conferences, the EITI International Board oversees the EITI. It is up to the respective constituencies to agree among themselves their membership of the Association and who they wish to nominate to the Board. The Board has 20 members, again composed of the three constituencies, with an independent chair. The EITI International Secretariat supports the Board.



# How we are funded

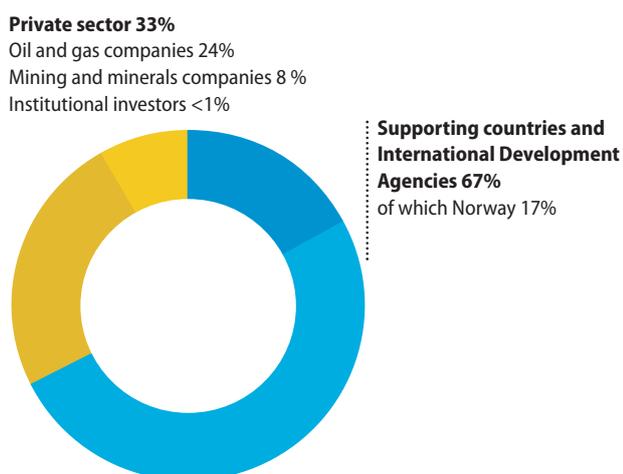
The funding of the international management of the EITI reflects its multi-stakeholder support. About US\$3.5m a year covers the salaries and associated costs for a team of eight to ten staff, Board meetings, travel and conference costs, consultants, and communications. This budget is raised from all the supporters of the EITI according to a funding formula. The principles of the funding formula are as follows:

- 1 The private sector and supporting countries share the principle responsibility for the international management costs of the EITI with the support of civil society organisations and the host government, Norway. The companies and supporting countries should pay the same.
- 2 The costs of the Validation are to be met by the governments of the countries being validated.
- 3 The Board will ensure that no single constituency or single stakeholder dominates the level of funding.

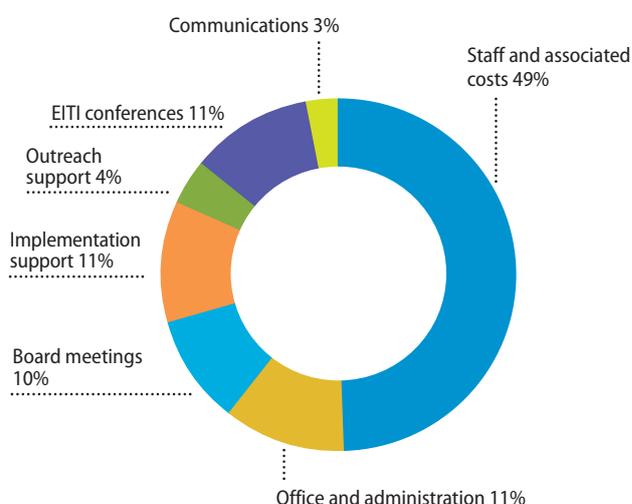
Based on these three principles, the charts below show how the costs of the EITI international management have been, and are due to be, funded. In 2010, the EITI received funding from 34 organisations and countries. The number of supporting organisations has grown every year. The EITI also receives a considerable number of EITI off-budget and in-kind support, such as the funding of a meeting of all the National Coordinators in Brussels in November 2010, training seminars for the multi-stakeholder groups from implementing countries, and much of the preparations for the Paris Conference.

In-country efforts are funded from a wide range of sources, including the implementing country governments themselves, the World Bank-administered Multi-donor Trust Fund and other multilateral agencies, and bilateral development agencies.

## Sources of funding in 2009 and 2010



## Allocation of funding in 2009 and 2010



1. These figures are indicative only. audited accounts and budgets are available on [www.eiti.org](http://www.eiti.org)  
 2. These figures do not cover the considerable costs of funding the EITI at the national level

# The EITI Board 2009-2011

**Chair: Dr Peter EIGEN**

## GOVERNMENTS IMPLEMENTING COUNTRIES

**Mr Abdoul Aziz ASKIA**  
Permanent Secretary, EITI Niger, Niger

**Alt: Mr Sidi OULD ZÉÏNE**  
Chairman, EITI Mauritania, Mauritania

**Mr Essimi MENYE**  
Minister of Finance, Chairman EITI Cameroon,  
Cameroon

**Alt: Mr T. Negbalee WARNER**  
National Coordinator, EITI Liberia, Liberia

**Prof Humphrey ASSISI ASOBIE**,  
Chairman, NEITI, Nigeria

**Alt: Ms Effie Simpson EKUBAN**,  
Acting Chief Director, Ministry of Finance, Ghana

**Alt: Mr Nana Juaben-Boaten SIRIBOE**,  
Chairman GEITI, Ghana

**Mr Shahmar MOVSUMOV**,  
Executive Director, State Oil Fund, Azerbaijan

**Alt: Mr Dashdorj ZORIGT**,  
Minister for Mineral Resources and Energy, Mongolia

**Mr Kairat DJUMALIEV**,  
Head, Energy and Mineral Resources Department,  
Kyrgyzstan

**Alt: Mr Alfredo PIRES**,  
Secretary of State for Natural Resources, Timor-Leste

## SUPPORTING COUNTRIES

**Mr Mark PEARSON**,  
Director General, External Relations, Science and  
Policy Integration, Natural Resources Canada

**Alt: Mr Stephen GALLOGLY**,  
Director for International Energy and Commodity  
Policy, US State Dep., United States

**H.E Birgitta NYGREN**,  
Ambassador, Ministry for Foreign Affairs, Sweden

**Mr Jostein LEIRO**,  
Deputy Direct General, UN Department, Ministry of  
Foreign Affairs, Norway

**Alt: Ms Cathy BUGGENHOUT**,  
Conseiller d'Ambassade, Dept. of Economic Issues,  
Ministry of Foreign Affairs, Belgium.

**Alt: Mr Henk MAHIEU**,  
General Counsellor, Dept. of Economic Issues, Ministry  
of Foreign Affairs, Belgium

**Mr Dominik ZILLER**,  
Deputy Director General, BMZ

**Dr Ulla MIKOTA**,  
Deputy Director General, Federal Ministry for  
Economic Cooperation and Development, Germany

**Alt: Pauline CREMONA**,  
Head of the Mission for Democratic Governance,  
Ministry of Foreign Affairs, France

**Alt: Alice GUITTON**,  
Head of Democratic Governance Mission, Ministry of  
Foreign and European Affairs, France

## CIVIL SOCIETY ORGANISATIONS

**Mr Ingilab AHMADOV**,  
Director of the Public Finance Monitoring Centre -  
Baku, Azerbaijan

**Alt: Mr Dorjdari NAMKHAJANTSAN**,  
Open Society Forum, Mongolia

**Mr Alfred BROWNELL**,  
Green Advocates, Liberia

**Alt: Mr Eduardo BOHORQUEZ**,  
Transparencia Mexicana/Transparency International,  
Mexico

**Mr Christian MOUNZEO**,  
Coordinator PWYP Congo/President Rencontre Pour  
la Paix et les Droits de l'Homme, Republic of the  
Congo

**Alt: Dr Gilbert MAOUNDONODJI**,  
Coordinator, Groupe de Recherches Alternatives et de  
Monitoring du Projet Pétrole Tchad-Cameroun, Chad

**Mr Michel ROY**,  
International Advocacy Director, Secours Catholique,  
France

**Alt: Mr Diarmid O'Sullivan**,  
Team leader, Oil Campaign, Global Witness

**Mr Anthony RICHTER**,  
Chairman of the Revenue Watch Institute

**Alt: Ms Radhika SARIN**,  
Coordinator, Publish What You Pay

● Replaced during the period

## Board committees

### Governance Committee

The Governance Committee addressed issues relating to the Governance of the initiative. With the EITI International Board having agreed proposed Articles of Association, the work of this Committee focused on dealing with a number of urgent and problematic issues relating to the governance of the EITI.

Constituency	Governance Committee
	Dr Peter Eigen
Countries	
Companies/Investors	Mr Olivier Loubière Ms Julie McDowell Mr Keith Ruddock
Civil society	Mr Alfred Brownell Mr Anthony Richter
The Secretariat: Jonas Moberg	

### Finance Committee

The Finance Committee advised the EITI Board on strategic issues relating to the financing of the EITI International Management (Board and Secretariat). This included advising on the securing of funding to the levels agreed by the EITI Board when approving EITI Secretariat workplans and budgets, financial reporting, investment of liquidity and accepting of financial operations.

In 2009, the Committee undertook a review of the EITI's expenditure, including ensuring that it understood what the Secretariat uses its funds for, whether the Secretariat had appropriate decision-making processes for taking decisions with financial implications, and whether it considered that the Secretariat makes effective and appropriate use of its funding.

Constituency	Finance Committee
Countries	Prof Humphrey Asobie
Companies/Investors	Dr Anthony Hodge Ms Julie McDowell
Civil society	Mr Ingilab Ahmadov
The Secretariat: Eddie Rich	

### Validation Committee

The Validation Committee had an enormous workload in 2009-2011 in overseeing the Validation process, including addressing complaints, resolving disagreements, and advising the Board on compliance, extensions, candidate renewals, de-listing and appeals. As over 20 countries underwent Validation in the 2009-2011 period, the Validation Committee had a critically important and, at times, challenging role. It was vital that all of the EITI's stakeholders were well represented on this Committee.

Constituency	Validation Committee
Countries	Mr Abdoul Aziz Askia Mr Negbalee Warner Mr Mark Pearson Amb Brigitta Nygren
Companies/Investors	Ms Julie McDowell Mr Jean-Francois Lassalle
Civil society	Ms Radhika Sarin Mr Diarmid O'Sullivan Dr Gilbert Maoundonodji
The Secretariat: Sam Bartlett	

# The EITI Secretariat

## COMPANIES INCLUDING INVESTORS

**Ms Baiba RUBESA,**  
Manager of Corporate Social Responsibility,  
Statoil ASA

**Mr Mariano RUIZ FUNES,**  
Chief of Staff, PEMEX

**Alt: Mr Carlos Alberto Treviño Medina,**  
Chief of Financial Officer, PEMEX

**Alt: Mr Reidar GJÆRUM,**  
Senior Vice President, Corporate Communication,  
StatoilHydro

**Mr Stuart BROOKS,**  
Manager, International Relations, Chevron

**Alt: Michael D. MAHER,**  
Coordinator, Upstream Public Policy Issues, Public  
Affairs, Exxon Mobil Corporation

**Mr Olivier LOUBIÈRE,**  
Corporate Business Ethics Advisor, AREVA

**Mr David BAKER,**  
Vice President for Government and Environmental  
Affairs, Newmont

**Alt: Mr Jim MILLER,**  
Vice President Environmental Affairs,  
Freeport-McMoRan Copper & Gold Inc

● Replaced during the period

**Dr R. Anthony HODGE,**  
President, International Council on Mining and Metals

**Alt: Edward BICKHAM,**  
International Council on Mining and Metals

**Mr Jean-François LASSALLE,**  
Vice President of E&P Public Affairs, Total

**Alt: Mr Keith RUDDOCK,**  
General Counsel – Upstream International, Royal  
Dutch Shell

**Ms Julie McDOWELL,**  
Head of SRI, Standard Life Investments

**Alt: Mr David DIAMOND,**  
Co-Head of SRI Development, Allianz Global Investors  
France

**Jonas Moberg, Head of Secretariat**  
Tel +47 2224 2105

**Eddie Rich, Deputy Head and Regional  
Director**

**Email erich@eiti.org**  
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Stakeholder relations

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**Samuel R Bartlett, PhD, Regional Director**  
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Media enquiries, website, publications, use of  
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**Francisco Paris, PhD, Regional Director**  
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Latin America, Anglophone West Africa, and  
Mining

**Dyveke Rogan, Conference Manager**  
**Email drogan@eiti.org**  
Tel +47 2224 2113

## Nominations Committee

This Committee had the important role of overseeing the renewal of the Board and particularly the appointment of the Chair in 2011.

Constituency	Nominations Committee
Countries	Mr Dominik Ziller Mr Shahmar Movsumov Mr Stephen Gallogly
Companies/ Investors	Mr Stuart Brooks
Civil society	Mr Anthony Richter Mr Alfred Brownell
The Secretariat: Eddie Rich	

## Audit Committee

This Committee was required to discharge the audit function of the EITI International Management. The Committee held one telephone conference a year together with the EITI's auditor, and presented the audited accounts to the Board.

Constituency	Audit Committee
Countries	Prof Humphrey Assisi Asobie
Companies/ Investors	
Civil society	Mr Ingilab Ahmadov
The Secretariat: Eddie Rich	

## Rapid Response Committee

The Rapid Response Committee was called to address urgent issues generally related to in-country implementation of the EITI. This Committee fulfilled an important and, at times, time-consuming, short-notice and unpredictable function. Again, it was critically important that all stakeholders were well represented on the Rapid Response Committee.

Constituency	Rapid Response Committee
Countries	Prof Humphrey Assisi Asobie Mr Stephen Gallogly
Companies/Investors	Mr Jean-François Lassalle Mr David Diamond
Civil society	Mr Anthony Richter Mr Michel Roy Mr Christian Mounzeo
The Secretariat: Jonas Moberg and Tim Bittiger	

# EITI COUNTRY DIRECTORY

	EITI REPORTING	REVENUE & PAYMENTS <sup>1,4</sup>	GOVERNANCE
<p><b>AZERBAIJAN</b>  <a href="http://www.oilfund.az/en">www.oilfund.az/en</a>                      Industries (mainly extractive sector): <b>60% of GDP<sup>2,3</sup></b>                      Extractive sector: <b>92% of exports</b></p> <p><b>EITI STATUS</b>                      Candidate: <b>27 September 2007</b>                      Compliant: <b>17 February 2009</b>                      Next Validation deadline: <b>17 February 2014</b></p> <p><b>PRIORITIES:</b> Transition to annual reporting</p>	<p>  <b>14 reports</b> covering <b>8 fiscal years</b>                      LATEST REPORT:                      Published: <b>2010</b>                      Period covered: <b>Jan-June 2009</b>  <b>Aggregated</b></p>	<p> <b>US\$ 11.4 bn</b>                      Government revenue   <b>US\$ 11.5 bn</b>                      Companies payment   <b>79%</b> of total government revenues covered in EITI reports</p>	<p><b>CHAIR:</b> Mr Shahmar Movsumov; Executive Director of the State Oil Fund of Azerbaijan  <b>NATIONAL COORDINATOR:</b>                      Mr Farid Farzaliyev; State Oil Fund of the Republic of Azerbaijan; EITI Secretariat  <b>LEGAL STATUS:</b> Ordinance of the Cabinet Ministers N0 224; Signed on 13 November 2003</p>
<p><b>GHANA</b>  <a href="http://www.geiti.gov.gh/site/">www.geiti.gov.gh/site/</a>                      Industries (mainly extractive sector): <b>24% of GDP</b>                      Extractive sector: <b>18% of exports</b></p> <p><b>EITI STATUS</b>                      Candidate: 27 September 2007                      Compliant: 17 February 2009                      Next Validation deadline: 17 February 2014</p> <p><b>PRIORITIES:</b>                      Introduction of oil and gas sector into EITI reporting</p>	<p>  <b>6 reports</b> covering <b>5 fiscal years</b>                      LATEST REPORT:                      Published: <b>2010</b>                      Period covered: <b>2008</b>  <b>Disaggregated by Companies</b></p>	<p> <b>US\$ 48 m</b>                      Government revenue   <b>US\$ 48 m</b>                      Companies payment   <b>1%</b> of total government revenues covered in EITI Reports</p>	<p><b>CHAIR:</b> Ms Effie Simpson Ekuban; Acting Chief Director of the Ministry of Finance and Economic Planning  <b>NATIONAL COORDINATOR:</b>                      Mr Franklin Ashiadey; National Coordinator  <b>LEGAL STATUS:</b> Ministerial Decree, signed in 2005</p>
<p><b>LIBERIA</b>  <a href="http://www.leiti.org.lr/">www.leiti.org.lr/</a>                      Extractive sector: <b>5% of GDP</b>                      Extractive sector: <b>23% of exports</b></p> <p><b>EITI STATUS</b>                      Candidate: 27 September 2007                      Compliant: 17 February 2009                      Next Validation deadline: 17 February 2014</p> <p><b>PRIORITIES:</b>                      Publication of 3rd EITI Report in early 2011</p>	<p>  <b>2 reports</b> covering <b>2 fiscal years</b>                      LATEST REPORT:                      Published: <b>2010</b>                      Period covered: <b>2008-9</b>  <b>Disaggregated by Companies</b></p>	<p> <b>US\$ 35 m</b>                      Government revenue   <b>US\$ 35 m</b>                      Companies payment   <b>17%</b> of total government revenues covered in EITI Reports</p>	<p><b>CHAIR:</b> Honourable Agustine Kpehe Ngafuan; Minister of Finance  <b>NATIONAL COORDINATOR:</b>                      Sayon Henry Yaidoo Head of the Secretariat  <b>LEGAL STATUS:</b> LEITI Act of 2009 passed in July 2009</p>
<p><b>MONGOLIA</b>  <a href="http://eitimongolia.mn/?&amp;langid=2">eitimongolia.mn/?&amp;langid=2</a>                      Extractive sector: <b>30% of GDP</b>                      Extractive sector: <b>81% of exports</b></p> <p><b>EITI STATUS</b>                      Candidate: 22 September 2007                      Compliant: 19 October 2010                      Next Validation deadline: 18 October 2015</p> <p><b>PRIORITIES:</b>                      Boosting detail of data in the 4th and 5th EITI Reports, currently being produced</p>	<p>  <b>3 reports</b> covering <b>3 fiscal years</b>                      LATEST REPORT:                      Published: <b>2010</b>                      Period covered: <b>Jan-June 2009</b>  <b>Disaggregated by Companies</b></p>	<p> <b>US\$ 587 m</b>                      Government revenue   <b>US\$ 588 m</b>                      Companies payment   <b>34%</b> of total government revenues covered in EITI Reports</p>	<p><b>CHAIR:</b> B. Dolgor, Senior Advisor to Prime Minister  <b>NATIONAL COORDINATOR:</b>                      Sh. Tsolmon, Secretariat of Mongolia Extractive Industries Transparency Initiative  <b>LEGAL STATUS:</b> Resolution No.80 of the Government of Mongolia passed on 28 March 2007</p>
<p><b>TIMOR-LESTE</b>  <a href="http://www.laohamutuk.org/Oil/EITI/10EITIindex.htm">www.laohamutuk.org/Oil/EITI/10EITIindex.htm</a>                      Extractive sector: <b>12% of GDP</b>                      Extractive sector: <b>98% of exports</b></p> <p><b>EITI STATUS</b>                      Candidate: 22 Feb 2008                      Compliant: 1 July 2010                      Next Validation deadline: 30 June 2015</p> <p><b>PRIORITIES:</b>                      Preparations for 3rd EITI Report. May host an EITI in Asia workshop in 2011</p>	<p>  <b>2 reports</b> covering <b>2 fiscal years</b>                      LATEST REPORT:                      Published: <b>2010</b>                      Period covered: <b>2009</b>  <b>Disaggregated by Companies</b></p>	<p> <b>US\$ 1.76 Bn</b>                      Government revenue   <b>US\$ 1.76 Bn</b>                      Companies payment   <b>98%</b> of total government revenues covered in EITI Reports</p>	<p><b>CHAIR:</b> Hon Alfredo Pires, Secretary of State for Natural Resources  <b>NATIONAL COORDINATOR:</b>                      Mr Manuel de Lemos, Director Secretariat of State for Natural Resources  <b>LEGAL STATUS:</b> Presidential Decree</p>



- COMPLIANT countries
- CANDIDATE countries

 % of total Government budget covered in EITI Reports<sup>1</sup>

## KEY

## FOOTNOTES

- All currencies converted using Annual Average Exchange Rate for the Applicable period as published in the IFS by the IMF.
- Figures for the total budget revenues are from the CIA Fact Book. [www.cia.gov/library/publications/the-world-factbook/fields/2012.html](http://www.cia.gov/library/publications/the-world-factbook/fields/2012.html) accessed on 18.01.2011
- Calculated from UNCTAD 2009 data
- In-kind revenues reported as such have been valued at the average annual price for that commodity in the respective year.

	EITI REPORTING	REVENUE & PAYMENTS	GOVERNANCE
<p><b>CAMEROON</b>  <a href="http://www.eiticameroun.org/">www.eiticameroun.org/</a>            Extractive sector: <b>30%</b> of GDP            Extractive sector: <b>50%</b> of exports  <b>EITI STATUS</b>            Candidate: 27 September 2007 Compliant: 20 October 2010            Validation deadline: 18 April 2011  <b>PRIORITIES:</b>            Undertaking corrective actions identified in Validation and advancing next reporting phase</p>	 <b>3 reports</b> covering <b>8 fiscal years</b> LATEST REPORT: Published: <b>2010</b> Period covered: <b>2006-2008</b> <b>Aggregated</b>	 <b>US\$ 720 m</b> Government revenue <b>US\$ 716 m</b> Companies payment  <b>18%</b> of total government revenues covered in EITI Reports	<b>CHAIR:</b> Mr Essime Menye; Minister of Finance <b>NATIONAL COORDINATOR:</b> Ms Solange Agnès Ondigui <b>LEGAL STATUS:</b> Decree of the Prime Minister
<p><b>GABON</b>  <a href="http://www.eitigabon.com/">www.eitigabon.com/</a>            Extractive sector: <b>62%</b> of GDP            Extractive sector: <b>80%</b> of exports  <b>EITI STATUS</b>            Candidate: 27 September 2007            Compliant: 20 October 2010            Validation deadline: 18 April 2011  <b>PRIORITIES:</b>            Publication of the 2007-2009 EITI Report in 2011</p>	 <b>3 reports</b> covering <b>3 fiscal years</b> LATEST REPORT: Published: <b>2010</b> Period covered: <b>2006-2008</b> <b>Aggregated</b>	 <b>US\$ 1.94 bn</b> Government revenue <b>US\$ 2.00 bn</b> Companies payment  <b>73%</b> of total government revenues covered in EITI Reports	<b>CHAIR:</b> Mr Ange Macaire Longho; President of the EITI Interest Group Gabon <b>NATIONAL COORDINATOR:</b> Mr Ange Macaire Longho; President of the EITI Interest Group Gabon <b>LEGAL STATUS:</b> Presidential Decree; n° 000535 /PR/MEFBP of 8 July 2005
<p><b>KAZAKHSTAN</b>  <a href="http://www.eiti.kz/en/documents/law/">www.eiti.kz/en/documents/law/</a>            Extractive sector: <b>42%</b> of GDP            Extractive sector: <b>83%</b> of exports  <b>EITI STATUS</b>            Candidate: 27 September 2007            Compliant: 20 October 2010            Validation deadline: 18 April 2011  <b>PRIORITIES:</b>            Undertaking corrective actions identified in Validation Report and publication of the 2009 EITI Report</p>	 <b>4 reports</b> covering <b>4 fiscal years</b> LATEST REPORT: Published: <b>2009</b> Period covered: <b>2008</b> <b>Aggregated</b>	 <b>US\$ 26.67 bn</b> Government revenue <b>US\$ 26.67 bn</b> Companies payment  <b>90%</b> of total government revenues covered in EITI Reports	<b>CHAIR:</b> Mr A. Rau; Vice Minister. Ministry of Industry and New Technologies <b>NATIONAL COORDINATOR:</b> Ms. Dinara Satbaeva; Ministry of Industry and New Technologies <b>LEGAL STATUS:</b> Resolution by the Prime Minister NO. 342-P of January 28, 2006
<p><b>KYRGYZSTAN</b>            Extractive sector: <b>25%</b> of GDP            Extractive sector: <b>41%</b> of exports  <b>EITI STATUS</b>            Candidate: 27 September 2007            Close to Compliant: 19 October 2010            Validation deadline: 18 April 2011  <b>PRIORITIES:</b>            Publication of the 2009 EITI Report and expanding the scope to include the energy sector</p>	 <b>2 reports</b> covering <b>5 fiscal years</b> LATEST REPORT: Published: <b>2009</b> Period covered: <b>2008</b> <b>Aggregated</b>	 <b>US\$ 72 m</b> Government revenue <b>US\$ 72 m</b> Companies payment  <b>6%</b> of total government revenues covered in EITI Reports	<b>CHAIR:</b> Mr Kairat Djumaliev; Head of the Energy and Mineral Resources Department <b>NATIONAL COORDINATOR:</b> Karybek Ibraev; Head of EITI Secretariat in Kyrgyzstan <b>LEGAL STATUS:</b> Presidential Decree
<p><b>MALI</b>  <a href="http://www.itie.mines.gouv.ml/">www.itie.mines.gouv.ml/</a>            Extractive sector: <b>17%</b> of GDP            Extractive sector: <b>70%</b> of exports  <b>EITI STATUS</b>            Candidate: 27 September 2007            Close to Compliant: 13 December 2010            Validation deadline: 12 June 2011  <b>PRIORITIES:</b>            Increased company coverage for 2nd EITI Report and inclusion of social payments.</p>	 <b>1 reports</b> covering <b>1 fiscal year</b> LATEST REPORT: Published: <b>2009</b> Period covered: <b>2006</b> <b>Disaggregated by Companies</b>	 <b>US\$ 230 m</b> Government revenue <b>US\$ 221 m</b> Companies payment  <b>15%</b> of total government revenues covered in EITI Reports	<b>CHAIR:</b> Mr Abou-Bakar Traoré; Minister of Mines chairs the Steering Committee <b>NATIONAL COORDINATOR:</b> Dr Djibouroula Togola; EITI Permanent Secretary <b>LEGAL STATUS:</b> Ministerial Decree
<p><b>MAURITANIA</b>  <a href="http://www.cnitie.mr/">www.cnitie.mr/</a>            Extractive sector: <b>46%</b> of GDP  <b>EITI STATUS</b>            Candidate: 27 September 2007            Close to Compliant: 13 December 2010            Validation deadline: 12 June 2011  <b>PRIORITIES:</b>            Publication of third EITI Report in 2011</p>	 <b>2 reports</b> covering <b>2 fiscal year</b> LATEST REPORT: Published: <b>2007</b> Period covered: <b>2006</b> <b>Aggregated</b>	 <b>US\$ 273 m</b> Government revenue <b>US\$ 280 m</b> Companies payment  <b>36%</b> of total government revenues covered in EITI Reports	<b>CHAIR:</b> Sidi Ould Zeine; President of the National Committee <b>NATIONAL COORDINATOR:</b> Sidi Ould Zeine; President of the National Committee <b>LEGAL STATUS:</b> Ministerial Decree n°2009-231.../PM/ of November 2009

## EITI REPORTING

## REVENUE &amp; PAYMENTS

## GOVERNANCE

## ● NIGER

[www.itieniger.ne/](http://www.itieniger.ne/)

Extractive sector: **17%** of GDP  
Extractive sector: **34%** of exports

**EITI STATUS**

Candidate: 27 September 2007  
Close to Compliant: 13 December 2010  
Validation deadline: 12 June 2011

**PRIORITIES:**

Publication of third EITI Report in late 2011



**2 reports** covering **3 fiscal years**

LATEST REPORT:  
Published: **2009**  
Period covered: **2005-6**

**Disaggregated**



**US\$ 30 m**

Government revenue



**US\$ 29 m**

Companies payment



**9%** of total government revenues covered in EITI Reports

**CHAIR:** Mr Salamatu Gourouza Djibo, Minister of Mines and Energy

**NATIONAL COORDINATOR:**

Mr Askia Abdoul Aziz, EITI Permanent Secretary

**LEGAL STATUS:** Ministerial Order

## ● NIGERIA

[www.neiti.org.ng/](http://www.neiti.org.ng/)

Extractive sector: **32%** of GDP  
Extractive sector: **94%** of exports

**EITI STATUS**

Candidate: 27 September 2007  
Close to Compliant: 20 October 2010  
Validation deadline: 18 April 2011

**PRIORITIES:**

Inclusion of revenues from joint-development zone (with Sao Tome & Principe) and from the solid minerals sector in next reporting phase



**3 reports** covering **10 fiscal years**

LATEST REPORT:  
Published: **2009**  
Period covered: **2005-6**

**Disaggregated**



**US\$ 29.72 bn**

Government revenue



**US\$ 28.06 bn**

Companies payment



**100%** of total government revenues covered in EITI Reports

**CHAIR:** Prof Humphrey Asobie; NEITI Chairperson

**NATIONAL COORDINATOR:**

Ms Zeinab Ahmed; National Coordinator

**LEGAL STATUS:** NEITI Act of 2007

## ● PERU

[intranet2.minem.gob.pe/web/eiti/](http://intranet2.minem.gob.pe/web/eiti/)

Extractive sector: **33%** of GDP  
Extractive sector: **69%** of exports

**EITI STATUS**

Candidate: 27 September 2007  
Close to Compliant: 13 December 2010  
Validation deadline: 12 June 2011

**PRIORITIES:**

Progress with the next EITI reporting phase



**1 report** covering **4 fiscal years**

LATEST REPORT:  
Published: **2009**  
Period covered: **2004-7**

**Aggregated**



**US\$ 2.48 bn**

Government revenue



**US\$ 2.48 bn**

Companies payment



**7%** of total government revenues covered in EITI Reports

**CHAIR:** Vice Minister Daniel Camac Gutierrez

**NATIONAL COORDINATOR:**

Jose Luis Carbajal; National Coordinator

**LEGAL STATUS:** Presidential Decree

## ● YEMEN

[www.yemeneiti.org/](http://www.yemeneiti.org/)

Extractive sector: **38%** of GDP  
Extractive sector: **96%** of exports

**EITI STATUS**

Candidate: 27 September 2007  
Validation deadline: 9 March 2011

**PRIORITIES:**

Addressing any issues identified in Validation Report submitted in January 2011



**1 report** covering **3 fiscal years**

LATEST REPORT:  
Published: **2010**  
Period covered: **2005-7**

**Aggregated**



**US\$ 5.33 bn**

Government revenue



**US\$ 5.33 bn**

Companies payment



**59%** of total government revenues covered in EITI Reports

**CHAIR:** Dr Mohammed Mokbel; General Manager of Planning Department Ministry of Oil and Minerals

**NATIONAL COORDINATOR:**

Mohammed Al-Najar; National Coordinator

**LEGAL STATUS:** Presidential Decree

## ● REPUBLIC OF CONGO

[eiticongo.net/](http://eiticongo.net/)

Extractive sector: **63%** of GDP  
Extractive sector: **91%** of exports

**EITI STATUS**

Candidate: 22 February 2008  
Designated having achieved meaningful progress: 14 December 2010

**PRIORITIES:**

Publication of second EITI Report in 2011



**2 report** covering **6 fiscal years**

LATEST REPORT:  
Published: **2010**  
Period covered: **2007-9**

**Aggregated**



**US\$ 4.36 bn**

Government revenue



**US\$ 4.34 bn**

Companies payment



**81%** of total government revenues covered in EITI Reports

**CHAIR:** Florent Michel Okoko; EITI President

**NATIONAL COORDINATOR:**

Florent Michel Okoko; EITI President

**LEGAL STATUS:** Presidential Decree N°2006-626 and N°2006-627 of 11 October 2006

## ● DEMOCRATIC REPUBLIC OF CONGO

[www.itierdc.org/](http://www.itierdc.org/)

Extractive sector: **26%** of GDP  
Extractive sector: **91%** of exports

**EITI STATUS**

Candidate: 22 February 2008  
Close to Compliant: 13 December 2010  
Complete remedial action by: 12 June 2011

**PRIORITIES:**

Publication of the 2008-2009 EITI Report in 2011



**1 report** covering **1 fiscal year**

LATEST REPORT:  
Published: **2009**  
Period covered: **2007**

**Disaggregated**



**US\$ 404 m**

Government revenue



**US\$ 404 m**

Companies payment



**58%** of total government revenues covered in EITI Reports

**CHAIR:** Olivier Kamitatu; Minister of Plan

**NATIONAL COORDINATOR:**

Christian Mambu; National Coordinator

**LEGAL STATUS:** Prime Minister decree No 09/28 of 16/07/2009

## ● GUINEA

[www.guinee.gov.ng/](http://www.guinee.gov.ng/)

Extractive sector: **45%** of GDP  
Extractive sector: **94%** of exports

**EITI STATUS**

Candidate: 27 September 2007  
Suspended Implementation: 19 December 2009  
Deadline to complete Validation: TBA

**PRIORITIES:**

Publication of the 2006 EITI Report in 2011



**1 report** covering **1 fiscal year**

LATEST REPORT:  
Published: **2008**  
Period covered: **2005**

**Aggregated**



**US\$ 139 m**

Government revenue



**US\$ 138 m**

Companies payment



**44%** of total government revenues covered in EITI Reports

**CHAIR:** Guillaume Curtis; Secretary General of the Ministry of Mines and Energy; President of the EITI Steering Committee

**NATIONAL COORDINATOR:**

Mamadou Diaby; Secrétaire Exécutif; ITIE Guinée

**LEGAL STATUS:** Ministerial Decree

## EITI REPORTING

## REVENUE &amp; PAYMENTS

## GOVERNANCE

## ● SIERRA LEONE

[www.sleiti.org/](http://www.sleiti.org/)

Extractive sector: **31%** of GDP  
Extractive sector: **33%** of exports

**EITI STATUS**

Candidate: 22 February 2008  
Validation deadline: 9 March 2011

**PRIORITIES:**

Address issues identified in the 2010 Validation Report



**1 report** covering **2 fiscal years**

LATEST REPORT:  
Published: **2010**  
Period covered: **2007**

**Disaggregated**



**US\$ 10 m**  
Government revenue



**US\$ 10 m**  
Companies payment



**11%** of total government revenues covered in EITI Reports

**CHAIR:** Dr Kaifala Marah; Chief of Staff in the Office of the President

**NATIONAL COORDINATOR:**

Mr Joseph Kanu; Permanent Secretary; Ministry for Presidential & Public Affairs

**LEGAL STATUS:** Law

## ● CÔTE D'IVOIRE

[www.cnitie.ci/home/](http://www.cnitie.ci/home/)

Extractive sector: **21%** of GDP  
Extractive sector: **37%** of exports

**EITI STATUS**

Candidate: 12 May 2008  
Validation deadline: TBA



**1 report** covering **2 fiscal years**

LATEST REPORT:  
Published: **2010**  
Period covered: **2006-7**

**Disaggregated**



**US\$ 165 m**  
Government revenue



**US\$ 120 m**  
Companies payment



**4%** of total government revenues covered in EITI Reports

**CHAIR:** Mr Charles Diby Koffi; Minister of Finance and the Economy

**NATIONAL COORDINATOR:**

Mr N'dri Koffi; Permanent Secretary; National Committee of the EITI Côte d'Ivoire

**LEGAL STATUS:** Presidential Decree N°2008-25 of 21 February 2008

## ● CENTRAL AFRICAN REPUBLIC

[www.itierca.org/](http://www.itierca.org/)

Extractive sector: **20%** of GDP  
Extractive sector: **30%** of exports

**EITI STATUS**

21 November 2008  
Validation Report under Board review

**PRIORITIES:** Production of 3rd EITI Report



**2 report** covering **4 fiscal years**

LATEST REPORT:  
Published: **2010**  
Period covered: **2007-9**

**Disaggregated**



**US\$ 12 m**  
Government revenue



**US\$ 12 m**  
Companies payment



**5%** of total government revenues covered in EITI Reports

**CHAIR:** Sylvain Ndoutingai; State Minister in charge of Mines; Chairman of the Steering Committee

**NATIONAL COORDINATOR:**

Mr Robert Moidokana; Technical Secretary

**LEGAL STATUS:** Presidential Decree

## ● NORWAY

Hosted by Gov't at [www.oed.dep.no](http://www.oed.dep.no)

Extractive sector: **68%** of exports

**EITI STATUS**

Candidate: 11 February 2009  
Validation deadline: TBA

**PRIORITIES:** Continue to refine reporting process and improve communications activities



**2 report** covering **2 fiscal years**

LATEST REPORT:  
Published: **2010**  
Period covered: **2009**

**Disaggregated**



**US\$ 42.35 bn**  
Government revenue



**US\$ 42.35 bn**  
Companies payment



**20%** of total government revenues covered in EITI Reports

**CHAIR:** Mr Lars-Erik Aamot, Director General, Ministry of Petroleum and Energy

**NATIONAL COORDINATOR:**

Ms Gro Anundskaa, Assistant Director General, Ministry of Petroleum and Energy

**LEGAL STATUS:** EITI regulation

## ● TANZANIA

[www.teiti.org](http://www.teiti.org)

Extractive sector: **18%** of GDP

**EITI STATUS**

Candidate: 16 February 2009  
Validation deadline: 15 February 2011

**PRIORITIES:**

Completion of Validation process and production of 2nd EITI Report



The Working Group has 16 members. Civil society selected five representatives. The small-scale miners have two representatives alongside the three industry representatives from the Chamber of Mines.

**CHAIR:** Judge Marc Bomani

**NATIONAL COORDINATOR:** Mr Benedict Mushingwe

**LEGAL STATUS:** Presidential Decree

## GOVERNANCE

## ● MADAGASCAR

[www.mines.gov.mg/eiti](http://www.mines.gov.mg/eiti)

Extractive sector: **5%** of GDP  
Extractive sector: **9%** of exports

**EITI STATUS**

Candidate: 22 February 2008  
Validation deadline: 9 March 2011

**PRIORITIES:** Publication of first EITI Report in 2011



The national MSG was formalised in July 2010 with 18 members equally representing the government, NGOs, and companies. Furthermore there is a national assembly of stakeholders of 90 persons to oversee the MSG.

**CHAIR:** Mr Jaona A. Randrianarisoa; Secretary General Ministry of Mines

**NATIONAL COORDINATOR:**

Tahiny Tsarabory Judicial; Ministry of Mines

**LEGAL STATUS:** Presidential Decree

## ● ALBANIA

**EITI STATUS**

Candidate: 15 May 2009  
Validation deadline: 14 May 2011

**PRIORITIES:** Publication of first EITI Report in 2011



The EITI Working Group has met rarely in the course of 2010

**CHAIR:** Neritan Alibali, Deputy Minister of Economy, Trade and Energy

**NATIONAL COORDINATOR:** Shkelqim Hysaj, Director, EITI Albania

**LEGAL STATUS:** Ministerial Decree

## ● BURKINA-FASO

[www.itie-bf.gov.bf/spip.php?article49](http://www.itie-bf.gov.bf/spip.php?article49)

Extractive sector: **1%** of GDP  
Extractive sector: **2%** of exports

**EITI STATUS**

Candidate: 15 May 2009  
Validation deadline: 14 May 2011

**PRIORITIES:** Publication of first EITI Report in 2011



A Presidential Decree of December 2008 establishes a Supervisory Committee and a Steering Committee.

**CHAIR:** Daniel Bambara, Secretary General, Ministry of Economy and Finances

**NATIONAL COORDINATOR:** Dakar Djiri EITI Burkina Faso Permanent Secretary

**LEGAL STATUS:** Presidential Decree

## GOVERNANCE

### ● MOZAMBIQUE

[www.mirem.gov.mz/relatorios/itie/](http://www.mirem.gov.mz/relatorios/itie/)

Extractive sector: **26%** of GDP  
Extractive sector: **42%** of exports

#### EITI STATUS

Candidate: 15 May 2009  
Validation deadline: 14 May 2011

**PRIORITIES:** Completion of Validation process and production of 2nd EITI Report



The Coordinating Committee was established in early 2010 with four representatives from each of government, companies, and civil society.

**CHAIR:** Dr Abdul Razak Noormahomed, Deputy Minister of Mineral Resources

**NATIONAL COORDINATOR:** Dr Benjamin Chilenge, Coordination Committee Coordinator, Ministry of Mines

**LEGAL STATUS:** Presidential Decree

### ● ZAMBIA

[www.mirem.gov.mz/relatorios/itie/](http://www.mirem.gov.mz/relatorios/itie/)

Extractive sector: **24%** of GDP  
Extractive sector: **81%** of exports

#### EITI STATUS

Candidate: 15 May 2009  
Validation deadline: 14 May 2011

**PRIORITIES:** Publication of first EITI Report and undertaking Validation



The Zambia EITI Council was formally appointed in February 2009. The council is chaired by the Secretary to the Treasury and comprises five representatives from government, five from civil society and five from mining companies.

**CHAIR:** Likolo Ndalamei, Secretary to the Treasury

**NATIONAL COORDINATOR:** Mr Sakwiba Lubasi, Director Human Resources and Administration, Ministry of Mines and Minerals Development

**LEGAL STATUS:** Presidential Decree

### ● AFGHANISTAN

[www.mof.gov.af/?p=244](http://www.mof.gov.af/?p=244)

Extractive sector: **1%** of GDP  
Extractive sector: **3%** of exports

#### EITI STATUS

Candidate: 10 February 2010  
Validation deadline: 9 February 2012

**PRIORITIES:** Completion of scoping for first EITI Report



The MSG has met twice in 2010, and appears to be functioning well.

**CHAIR:** Dr Omar Zakhilwal Minister of Finance

**NATIONAL COORDINATOR:** Mr. Bashir Khan, National Coordinator AEITI, Ministry of Finance

**LEGAL STATUS:** Presidential Decree

### ● IRAQ

[www.ieiti.org.iq/site/](http://www.ieiti.org.iq/site/)

Extractive sector: **63%** of GDP  
Extractive sector: **98%** of exports

#### EITI STATUS

Candidate: 10 February 2010  
Validation deadline: 9 February 2012

**PRIORITIES:** Publication of first EITI Report in 2011



A 20-person multi-stakeholder Iraqi Stakeholders Council chaired by the General Secretary of the Iraq Council of Ministers, Hon Ali Al-Allaq, was established in September 2010.

**CHAIR:** Mr Alaa El-Deen, Inspector General, Ministry of Electricity

**NATIONAL COORDINATOR:** Mr Alaa El-Deen, Inspector General, Ministry of Electricity

**LEGAL STATUS:** Presidential Decree

### ● CHAD

Extractive sector: **7%** of GDP  
Extractive sector: **93%** of exports

#### EITI STATUS

Candidate: 16 April 2010  
Validation deadline: 15 April 2012

**PRIORITIES:** Completion of scoping for first EITI Report



A decision-making High National Committee, a working-level Steering Committee and a Technical Secretariat have been set up. These bodies now have internal regulations and have met several times. The National Coordinator Mahamat Saleh Al-Habbo and his deputy Kana Nabia were mandated by decree on 26 July 2010.

**CHAIR:** H.E. Tabe Eugène N'Gaoulam, Minister of Petrol and Energy

**NATIONAL COORDINATOR:** Mr Mahamat Saleh Al-Habbo, Head of the Technical Secretariat

**LEGAL STATUS:** Presidential Decree

### ● INDONESIA

Extractive sector: **37%** of exports

#### EITI STATUS

Candidate: 19 October 2010  
Validation deadline: 19 October 2012

**PRIORITIES:** Completion of scoping for first EITI Report



The various Transparency Teams set up by the government include the Ministerial-level "Steering Team", the directorate general-level "multi-stakeholder Implementation Team" and a special team for the Formation of the Secretariat led by former Anti-Corruption Commission Vice Chairman Erry Riyana Hardjapamekas. The "Implementing Team" has been established and has been meeting on a regular basis.

**CHAIR:** Minister Hatta Rajasa, Coordinating Minister for Economic Affairs

**NATIONAL COORDINATOR:** Erry Riyana Hardjapamekas, Head of the EITI Implementation Team

**LEGAL STATUS:** Presidential Decree

### ● TOGO

Extractive sector: **25%** of GDP  
Extractive sector: **23%** of exports

#### EITI STATUS

Candidate: 19 October 2010  
Validation deadline: 19 October 2012

**PRIORITIES:** Publication of first EITI Report by end- 2011



The multi-stakeholder group comprised of a Supervisory Council and a Steering Committee, was established in March 2010.

**CHAIR:** Dammipi NOUPOKOU; Ministre des Mines et de l'Energie chairs the Steering Committee

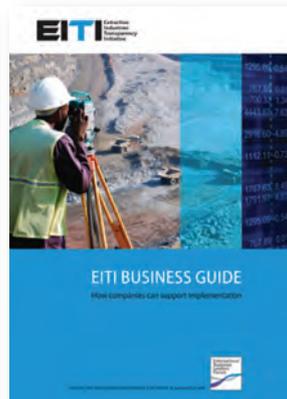
**NATIONAL COORDINATOR:** Kokou Didier Agbemedon; EITI Togo National Coordinator

**LEGAL STATUS:** Presidential Decree

# Publications



**EITI Rule Book including Validation Guide**  
This publication brings together the EITI's requirements for implementing the EITI. It includes the EITI Principles, Criteria, Requirements, Validation Guide, and Policy Notes issued by the EITI Secretariat, conveying decisions taken by the EITI Board.  
[www.eiti.org/document/rules](http://www.eiti.org/document/rules)



**EITI Business Guide**  
How companies can support implementation of the EITI  
[www.eiti.org/document/businessguide](http://www.eiti.org/document/businessguide)



**Talking Transparency**  
A guide for communicating the EITI  
[www.eiti.org/document/communication](http://www.eiti.org/document/communication)



**FACT SHEETS** are short documents explaining elements of the EITI policy:

**EITI Fact Sheet** [www.eiti.org/document/factsheet](http://www.eiti.org/document/factsheet)

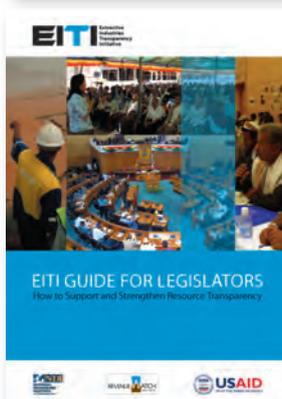
**How to support the EITI – Extractive Companies** [www.eitransparency.org/companyimplementation](http://www.eitransparency.org/companyimplementation)

**How to support the EITI – Non-Extractive Companies** [www.eiti.org/companyimplementation](http://www.eiti.org/companyimplementation)

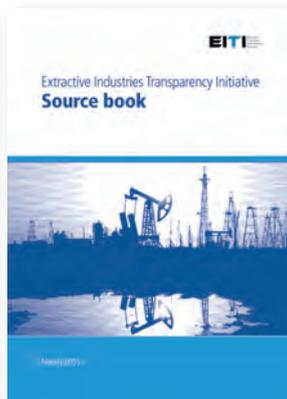
**How to support the EITI – Countries** [www.eiti.org/supporters/countries](http://www.eiti.org/supporters/countries)

**EITI Endorsements** [www.eiti.org/document/endorsements](http://www.eiti.org/document/endorsements)

**Validation Fact Sheet** [www.eiti.org/eiti/implementation/validation](http://www.eiti.org/eiti/implementation/validation)



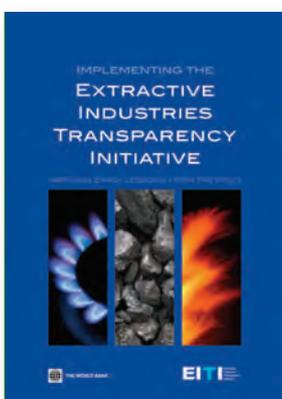
**EITI Guide for Legislators**  
How to support and strengthen resource transparency  
[www.eiti.org/document/parliament](http://www.eiti.org/document/parliament)



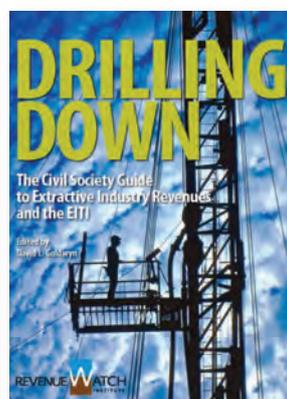
**EITI Source Book**  
A guide to assist countries that are implementing the EITI  
[www.eiti.org/document/sourcebook](http://www.eiti.org/document/sourcebook)



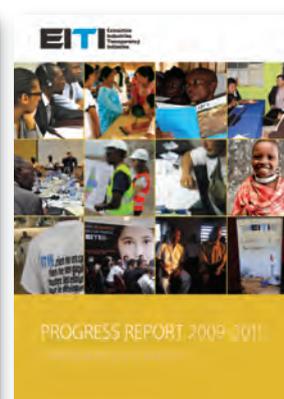
**Advancing the EITI in the Mining Sector**  
A report from consultations with mining stakeholders  
[www.eiti.org/document/mining](http://www.eiti.org/document/mining)



**Implementing the EITI**  
Applying early lessons from the field (by the World Bank)  
[www.eiti.org/document/document/implementingtheeiti](http://www.eiti.org/document/document/implementingtheeiti)



**Drilling Down**  
A civil society guide to the EITI (by RWI)  
[www.eiti.org/document/civilsociety/implementation](http://www.eiti.org/document/civilsociety/implementation)



**EITI Progress Report 2009-2011**  
This publication outlines progress made in EITI implementation following the EITI Global Conference in Doha February 2009. It was launched at the EITI Global Conference in Paris March 2011.  
[www.eiti.org/document/progressreport](http://www.eiti.org/document/progressreport)

Government revenues from natural resources have often been criticised for being badly managed, veiled in secrecy and fraught with corruption. Over the past decade, this picture has been changing. A coalition of 50 countries and 50 of the largest oil, gas and mining companies is now working together with civil society to improve transparency in the management of natural resources. In 33 resource-rich countries, companies and governments have committed to publish what they pay and receive, through implementing the global standard that is the Extractive Industries Transparency Initiative. Citizens in these countries can now find out how much their governments receive from their natural resources, and hold them to account.