

International Secretariat 2021 Work Plan

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Executive summary

This work plan sets out the EITI International Secretariat's priorities for 2021 following the key decisions the Board took with the adoption of the 2019 EITI Standard. It establishes how the EITI International Secretariat (hereafter "the Secretariat") will use its staff and financial resources to support an efficient, relevant and effective EITI to produce tangible improvements in extractive industry governance. The work plan also explains the key objectives, activities, and outcomes of the Secretariat to supporting governments, companies and civil society organisations.

While the number of implementing countries has witnessed some growth over the past year, the *depth and breadth*¹ of implementation has increased. With the adoption of the 2019 Standard the nature of implementation support is changing. Clarifications to the requirements on commodity trading, contract transparency, along with new provisions on gender and environmental reporting require further guidance and support. These accompany a more concerted move towards systematic disclosure, increasingly relying on data reported by government and companies rather than EITI reporting alone.

The onset of the global health pandemic, commodity price declines and economic crisis in early 2020 radically altered the context for EITI implementation and the delivery approach of the International Secretariat. The cessation of travel for the foreseeable future is likely to limit implementation, validation and outreach missions. Technical support from the International Secretariat will be conducted virtually and through virtual means well into 2021. The Board has endorsed a more flexible approach to reporting and granted extensions on reporting deadlines to reflect the changed circumstances.

Validation is a critical element of the EITI's work, providing a rigorous approach to assessing progress on implementation of the Standard. With the majority of implementing countries having undertaken their first Validation by 2019, a substantial number of second Validations were planned for 2020. With the onset of the global crisis, many of these validations have been postponed to 2021, creating large potential workload for the Secretariat. A revised Validation procedure is expected to reduce the cost and duration of Validation from 2021 which should make the backlog more manageable.

The Secretariat also intends to dedicate more effort to documenting the impact of EITI's activities and to communicating this more convincingly to our stakeholders through our revised communications strategy, an improved website and greater focus on impact and stakeholder engagement. An independent evaluation is planned for 2021 along with improved results frameworks for EITI implementing countries. In response to growing demands for technical support from implementing countries, the Secretariat is placing more emphasis on capacity development and peer-to-peer learning, principally through online means, in the 2021 work plan.

¹ An overview of the adjustments to the Standard can be found here: <https://eiti.org/board-decision/2019-25>

Responding to the need for greater specialisation the Secretariat successfully recruited new staff on implementation support, policy development and human resources². With 38 full-time staff from 25 different countries, the Secretariat serves 54 implementing countries, the EITI Board with 21 members and their alternates, and its seven committees. In 2021 we intend to maintain core staffing levels to deliver the Secretariat's core priorities along with a modest increase in staffing to deliver enhanced project-supported activity on beneficial ownership transparency.

This work plan structure reflects the organisation of the Secretariat – Board support, country and technical work, policy, communications, and finance and administration. It sets out the main ways the Secretariat wishes to meet the mandate for support and expertise to implementing countries, the Board, and to the wider international community while being sensitive to the continued impacts of the COVID-19 crisis.

Sections 2-4 set out the proposed tasks of Secretariat in 2021 with indications in boxes of key action items, and the proposed budget allocation. Note that the budget allocation figures under policy are part of implementation support, training, Validation, and communications. Policy is thus not a separate budget category but integrated as part of the other expenditure functions, as it informs all those functions.

Sections 1 and 6 cover other functions of the Secretariat under the Articles of Association: support to the EITI Board, and the management, funding and monitoring of the International Secretariat, respectively. Each section indicates the associated costs of the functions and actions outlined. The budget and related risks is addressed in Section 7 which also provides a multi-year outlook. Note that the 2021 budget figures are provisional, and a more accurate and detailed version with updated scenarios will be provided in the version of the work plan submitted for final Board approval.

The Annexes provide a summary of the Secretariat's performance in 2020, as well as a summary of the actions proposed here.

² See

1. Strategic Priorities 2021–2022

The 2021 work plan includes some long-term strategic priorities that have been agreed by the Board and incorporated into the 2019 Standard. These include beneficial ownership disclosure, commodity trading transparency, support for project-level reporting and contract transparency, and gender and environmental reporting. Validations alone have required significant follow-up support for corrective actions and recommendations and the ongoing Validation review is expected to lay the basis for a more streamlined approach. The planned scale-up of work on beneficial ownership will require an enhanced level of support. The Board has agreed the extension of flexible reporting through 2021 and progress will be made on alternative forms of reporting. By 2022, it is foreseen that EITI processes will be significantly less about reporting and increasingly about systematic disclosure in government and corporate systems, and the implementation of reforms identified by the process.

Grounded in the 2019 Standard, the strategic priorities of the EITI have also been shaped by Board deliberations and consultations with implementing countries and the impact of the COVID-19 crisis. These have been brought together in a paper for Board approval. While recognising that energy needs require continued attention in implementing countries, the energy transition is gaining greater traction with reduced global demand for oil and decarbonisation plans announced by some major companies. Other shifts include increased focus on corruption risk, enhanced attention to revenue mobilisation, the growing focus on ESG criteria by investors, open data becoming the norm, and the increasing imperative of measuring impact. Three broad priorities will merit continued Board attention to ensure EITI can help implementing countries adjust to these shifts. These include broadening multi-stakeholder governance to ensure continued vitality in the functioning and composition of MSGs; more demand-driven and impactful disclosures grounded in flexible reporting and mainstreaming; and generating data that is relevant for decision making while continuing to inform public debate.

2. Support to the EITI Chair and Board

The International Secretariat will work with the Chair and the Board to prepare agendas, provide progress reports, oversee translation of documents and make other practical arrangements for EITI Board meetings. The International Secretariat will organise at least three EITI Board meetings in 2021. In the past, at least one Board meeting has been held in Oslo annually. In 2021, we foresee that some Board meetings may be held virtually on account of continued curbs on international travel. A significant number of committee meetings are expected, given changes in implementation modalities in the wake of the COVID-19 crisis. The International Secretariat will provide the Board and its committees with the necessary support and documentation for decisions taken both in Board meetings and through Board circulars. The current EITI Board and its committees will work in four languages, English and French, Russian and Spanish.

The EITI is also tasked with providing civil society Board members and alternates from non-OECD

countries with communication support³ to enable them to participate effectively in the work of the Board. There are currently six Board members and alternates who receive this support. The Secretariat will continue to intensify its support for implementing country Board members through improved onboarding and consultation in advance of Board and committee meetings.

The Secretariat will work with the Chair and the Board, mostly through its committees⁴, to develop policy proposals and recommendations. Board committees will prepare the working documents for the Board. The Secretariat will support the Board in its review of the Articles of Association and guidelines to the various constituencies.

The 6th EITI Global Conference will be held in 2022. The International Secretariat will begin preparatory work in 2021, including: identifying a host country, consultations with stakeholders on key themes, venue and securing dedicated funding for the Conference.

Actions

1. Organise at least three Board meetings, both virtual and in-person.
2. Facilitate and document regular committee meetings and ensure a smooth flow of work between the committees and the Board.
3. Ensure proper onboarding of new Board members.
4. Document Board decisions in English and French online.
5. Begin preparations for the 2022 EITI Conference.

Budget allocation – Support to the EITI Chair and Board

The budget for the support to the Board, its committees and the Chair is estimated at USD 0.883. Support to the Board, the Chair and planning for the Global Conference will account for approximately 10% of staff time in 2021.

3. Support to implementing countries

Support to implementing countries remains the core activity of the Secretariat, in response to demands from government, industry and civil society stakeholders and framed by the strategic priorities endorsed by the Board. In 2021, the Secretariat will continue to provide support, with differing levels of intensity, to all implementing countries, principally through virtual means depending on the course of the COVID-19 pandemic. The work with implementing countries, organised by region, is outlined below. Progress on implementation is monitored through

³ Summarising discussions led by email in their language, for example

⁴ The list of committees can be found on www.eiti.org/board-committees.

Implementation Progress Reports (IPR) and shared with the Board ahead of every Board meeting. To further strengthen the voice of implementing countries, the Secretariat will seek to increase its support to implementing country representatives on the Board, while continuing to engage and support all constituencies.

In more general terms, support to implementation will follow these objectives:

- **Addressing national priorities.** Each implementing country sets EITI implementation objectives “that are linked to the EITI Principles and reflect national priorities for the extractive industries” (Requirement 1.4). Multi-stakeholder groups “are encouraged to explore innovative approaches to extending EITI implementation to increase the comprehensiveness of EITI reporting and public understanding of revenues and encourage high standards of transparency and accountability in public life, government operations and in business”. **Each implementing country has a work plan that addresses these opportunities.** The International Secretariat will **improve the guidance to implementing countries for the development of a country-sensitive results framework,** support the development and implementation of these work plans and increasingly encourage the adoption of a stronger results-based approach.
- **Strengthening systematic disclosure.** EITI reporting is better **embedded in government agencies** managing the sector to build strong, transparent and resilient government systems. Each implementing country has published **comprehensive, relevant, reliable and accessible data, in a timely manner,** to inform policy debate and increase the public’s understanding of how their natural resources are managed. This will include support to MSGs and national secretariats which will play a greater role in promoting systematic disclosure. The Secretariat will also support implementing and outreach countries in ensuring that EITI implementation is proportionate, cost-efficient and gender-sensitive, and to accelerate progress on systematic disclosure.
- **Supporting implementation of the 2019 Standard.** Some requirements have changed, and some new ones have been introduced, including related to contract transparency, environment and gender considerations. The Secretariat will work with the national secretariats and multi-stakeholder groups to ensure a solid understanding of the relevance of these changes, and support on implementing them through a more comprehensive capacity building strategy.
- Each implementing country has a **well-functioning multi-stakeholder group** (MSG) that comprises the relevant state, industry and civil society stakeholders to ensure transparent and accountable governance of the national EITI process.
- **Supporting effective civil society engagement.** The Secretariat will work with implementing country stakeholders and international partners to increase awareness about the civil society protocol, to identify opportunities to strengthen civil society engagement in the EITI and to facilitate the sharing of lessons learnt across EITI countries.

- Each implementing country is **making progress on key thematic and policy areas**, including contract transparency, disclosure of revenues by project, beneficial ownership data, commodity trading and subnational transfers to ensure that the EITI contributes to relevant national priorities, such as mitigating the risk of corruption, improving domestic resource mobilisation and informing decision making and public debate on energy transition.
- Each MSG continues to **promote innovative approaches** to improving the governance of the sector, including by **analysing and disseminating the findings from EITI data and reporting**, implementing recommendations emerging from EITI reporting and Validation, and monitoring reform efforts.
- Each implementing country has **reviewed the outcomes and impact of EITI** implementation and published its findings.
- For each region, the Secretariat identifies key issues and develops detailed strategies and action plans on how to support countries in addressing these issues.

Actions

6. Enhanced support to MSGs and national secretariats to meet the EITI Standard and make it as relevant as possible in addressing national priorities, by highlighting opportunities for systematic disclosure of EITI data through government and company systems, advice on flexible reporting, enhanced support for work plan preparation, and addressing funding needs.
7. Support countries with analysing the findings and implementing the recommendations from EITI Reports and Validation, including addressing corrective actions from Validation through implementation, and the adoption of a revised Validation procedure.
8. Develop and execute a training strategy for implementing countries to ensure a systematic approach to capacity building for national stakeholders that addresses their priorities.
9. Update the implementers portal (eiti.org/guide) in view of the changes to the Standard and the EITI website upgrade, containing all guidance notes, examples and templates, as well as links to partners' materials, in four languages. Distribute the National Secretariat Circular in four languages.
10. Monitor progress in EITI implementation and coordinate support with partners and technical assistance providers. Identify linkages with other efforts promoting good governance and sharing good practice, including the IMF, OECD and the EU.
11. Support Board members representing implementing countries through consultations in advance of Board and committee meetings.

Budget allocation – Support to Implementing countries

It is foreseen that USD 3.5m of the budget is spent on support to implementing countries. This cost includes USD 1.9m in direct day-to-day support, 1.1m in project subgrant as part of the Opening extractive programme and USD 0.4m in capacity building activities of stakeholders. In terms of understanding the full support given to a country, it is important to also consider the Validation cost as much of the work involves significant technical work that supports implementation. Direct support to implementing countries will account for approximately 37% of staff time.

3.1 Africa

The Secretariat will provide support to implementation to 26 EITI member countries in Africa in 2020, with a view to ensuring that the EITI contributes to national priorities. To achieve this, the Secretariat will develop and implement a country-specific targeted approach. This will allow the Africa team to prioritise countries where the EITI is likely to have high impact in a relatively short time frame. Building on a decade of EITI implementation across the continent, there is a need for EITI implementation to be even more meaningful in this new environment and to bring more structural change through systematic disclosures and anti-corruption efforts. The implementation of the EITI in Africa faces some challenges. The global COVID-19 pandemic and the slowdown in economic activities will adversely affect funding for implementation in 2021. There is increasing debt across the continent, alongside opaque barter and infrastructure deals, raising issues of debt sustainability.

Considering the COVID-19 pandemic, many countries in Africa have experienced challenges to transition to remote working, due to limited access to the internet as well as cultural preference for face to face meetings. In some instances, this has slowed progress with implementation. The Africa team will continue with intensive support to national secretariats, especially in fragile states, to ensure that there are adequate capacities for day-to-day implementation.

Political tensions and governments crackdowns on dissent around elections remain a concern. The Secretariat will play a proactive role in preserving civic space for civil society involved in EITI implementation in countries that are likely to hold elections in 2021. The Africa team will aim to monitor and report violations of the civil society protocol to the Board in a more consistent and timely manner.

Targeted support will be provided to the following policy and thematic areas and countries:

Improving systematic disclosure to make EITI reporting more cost-effective. On average only 21% of the data required by the Standard is systematically disclosed by African countries. With support from partners, the Secretariat will support countries to complete a “disclosure checklist” covering contextual and aggregate financial data, including an assessment of whether the information is systematically disclosed. SOEs, which play a key role in the management of the sector, remain high priority for this intensified effort. The Secretariat will also provide targeted support through guidance, trainings and review of quality of publicly disclosed information to countries such as

Burkina Faso, the DRC, Ghana, Guinea, Liberia, Mauritania, Mozambique, Nigeria, Senegal, Sierra Leone, Republic of Congo, Tanzania, Uganda and Zambia.

Increasing timely and forward-looking data: In many African countries, stakeholders and public institutions depend on EITI reports for access to independently verified information on the extractive sector. The International Secretariat will support countries such as **Cameroon, Chad, Ethiopia, Niger, Mali, Malawi, Republic of Congo and Togo** with a view of improving data timeliness and including forward-looking data in EITI reports.

Beneficial ownership: Several countries have introduced legislation on beneficial ownership (BO) disclosure, and the Secretariat will focus support on helping countries develop coherent policies and implementing these legislations. The Secretariat will support African countries in establishing BO registers and/or improve the quality BO data disclosures in EITI Reports including **Burkina Faso, Cote d'Ivoire, Chad, DRC, Ghana, Guinea, Liberia, Malawi, Mali, Mauritania, Niger, Nigeria, Republic of Congo, Senegal, Seychelles, Tanzania, Uganda and Zambia.**

Contract transparency: There have been significant strides in contract transparency, which will be a priority for the Africa team in 2021 to ensure that contracts are disclosed, understood and adequately monitored. The Secretariat will provide support to conduct a comprehensive mapping of all existing contracts and ensure comprehensive disclosure such as in **Chad, the DRC, Ghana, Guinea, Liberia, Madagascar, Mozambique, Niger, Nigeria, Togo and Zambia.** The Secretariat will also provide technical assistance in fiscal policy and revenue management, including contract analysis, financial modelling to help monitor the economic contribution of large projects in select group of countries: **Democratic Republic of Congo, Guinea, Mozambique, Republic of Congo, Sierra Leone, Tanzania and Zambia.**

Artisanal and small-scale mining (ASM): The Secretariat will provide targeted support to countries such as **Burkina Faso, Cote d'Ivoire, DRC, Ghana, Guinea, Mali, Niger, Ethiopia, Senegal and Tanzania** to improve disclosures related to the ASM sector. Many of these countries tend to be fragile states with significant risks of ASM contributing to conflicts in an already volatile environment.

Other thematic priorities for Africa include improving licensing procedures, tools for better sub-national disclosures and the quality of production and project-level reporting. In collaboration with the African Development Bank, the African Union and other regional organisations, the Secretariat will convene high-level policy dialogues, using empirical data disclosed in EITI report to help policy makers better understand the risks and opportunities associated with the energy transition.

The new Validation model presents an opportunity for the EITI to be more relevant to implementing countries. There are eight Validations planned for Africa in 2021. This schedule could change depending on the outcome of the ongoing Validation review.

3.2 Asia, Pacific and Middle East

The Secretariat will provide implementation support to 14 countries in Southeast Asia, the Pacific,

Central Asia and the Middle East. Targeted support will be provided to the following policy areas and countries:

State-Owned Enterprises (SOEs): The Secretariat will provide support to ongoing technical studies on SOEs in **Afghanistan, Iraq** and **Papua New Guinea (PNG)**, as well as commodity trading reports in Myanmar. Regional webinars on SOE requirements are planned and we will explore the creation of a regional network of SOEs.

Contract transparency: Asian countries have varying progress on contract transparency. For those that encounter legal barriers (**Indonesia, Kyrgyz Republic, Myanmar** and **PNG**), the team will provide technical support and provide opportunities for peer learning to help overcome these barriers. For countries that are already disclosing contracts (**Armenia, Philippines** and **Timor Leste**) implementation support will focus on use of contracts. The Asia team will also aim to improve the participation of Asian countries in the existing contract transparency network.

Project-level Reporting: An evaluation of disaggregation of revenues and reporting practices of all countries in the region will be undertaken by the team to ensure that current project-level reporting practices as claimed in EITI Reports indeed adhere to EITI requirements.

Beneficial ownership (BO): Several countries in the region have already disclosed BO data, the team will focus on providing support to MSGs on understanding and assessing BO data (e.g. **Myanmar** and **Indonesia**) as well as explaining the initial criteria for Validation. The team will also continue providing support in improving BO registers in **Myanmar** and **Indonesia**.

The team will find opportunities to scale up its work on anti-corruption (through the NRG –GIZ project) and energy transition. For anti-corruption, workshops are planned in **Afghanistan, Indonesia, Mongolia**, and the **Philippines** under the USAID proposal. **Indonesia** is a potential pilot country for dedicated work on energy transition using the EITI process.

There is *expected* funding for the work on contract transparency in **Indonesia** and the **Philippines** under USAID, for beneficial ownership and commodity trading in **Myanmar** from DFID and SECO respectively, and for beneficial ownership work in Central Asia from EBRD. Other countries in the region could potentially be part of the new project on beneficial ownership. The countries in the region that will be part of mainstreaming pilot potentially funded by the USAID are **Afghanistan, Indonesia, Kyrgyz Republic** and the **Philippines**, where the aim would be to increase the amount of data being systematically disclosed by the end of 2021. Funding is also expected for subnational work in Indonesia (from Ford Foundation) as well as for SOE reforms in **PNG** (from the Asian Development Bank).

Political priorities include improving political commitment in almost all countries in the region especially with new governments in 2020 and 2021 (e.g. **Indonesia, Mongolia, Myanmar** and **Timor Leste**). This will be done through virtual meetings with ministries. A high-level webinar for government officials and partners is planned in Q1 2021.

Nine Validations are scheduled from Q4 2020 to end of 2021 but the schedule could change

depending on the outcome of the ongoing Validation review.

3.3 Latin America and the Caribbean

The Secretariat will provide implementation support to 10 countries in Latin America and the Caribbean. The region hosts a number of countries with significant extractive sectors. In 2021, with the budget adjustments given the consequences of having to address the COVID-19 pandemic, the sector's fiscal contributions will be more relevant. Several countries in the region are considering the changes derived from the energy transition and the need to adjust the sector's strategies to cope and plan for new market realities for commodities.

The International Secretariat will provide priority support for **Colombia, Mexico and Peru**; in these countries the sector size is significant and its contribution to exports and fiscal revenues is considerable. **Argentina** is also a priority in light of the importance of establishing transparency in the extractive sector. **Guyana, Suriname and Trinidad and Tobago** are highly dependent on the extractive sector. The International Secretariat will work with stakeholders to ensure EITI implementation supports the country efforts in addressing challenges in the governance of the sector. While the extractive sector is less significant in **Dominican Republic, Guatemala and Honduras**, the Secretariat will work with these countries to ensure the EITI has a commensurate contribution to the good governance of those sectors. It is expected that **Ecuador** will become an EITI candidate country in October 2020. The Secretariat will assist stakeholders to start implementing the Standard.

Beneficial ownership: The Secretariat will give priority to support countries in LAC to make progress in implementing the necessary steps to deliver beneficial ownership disclosures, including addressing possible obstacles on making BO data public. Beneficial ownership remains a priority in all countries in the region.

Contract transparency: Similarly, the Secretariat will work with countries to ensure the 2019 EITI Standard's contract transparency requirement is understood by all relevant government agencies and that they are prepared to comply with it. Contract transparency remains a priority in all countries in the region.

Systematic disclosures: The Secretariat will also be working with most countries in the region to continue advancing more cost efficient and timely reporting using all tools approved by the EITI Board, such as alternative reporting approaches based on more systematic disclosures. This will be a priority in countries such as the **Dominican Republic, Peru and Trinidad and Tobago**. It will also incentivise the use of technology for more automated data collection and the use of data portal to improve user-friendly access to data disclosed in different government systems.

State-owned enterprises. The Secretariat will reach out to SOEs in the region to offer working with those companies and other stakeholders in strengthening transparency for better governance of these public companies. This will be a priority in countries such as **Argentina, Colombia, Guyana, Mexico, Suriname and Trinidad and Tobago**.

Anti-corruption: The region has made significant efforts to combat corruption and promote

transparency. Several countries have adopted FATF/GAFI regulations and have adopted measures to disclose beneficial owners. However, insecurity remains a major challenge. This has slowed progress in making that information readily accessible.

The Secretariat will work with all constituencies in LAC countries, particularly with industry in using the EITI disclosures and developing a platform to address environmental, social and governance (ESG) issues. This will be a priority in all countries of the region. The Secretariat will promote peer learning in the region on subnational implementation including in **Argentina, Colombia, the Dominican Republic, Honduras and Mexico**. The Secretariat will work with national EITIs to ensure that EITI data, findings and recommendations are widely debated, analysed and followed up.

Most likely, nine countries in the region will undergo Validation in 2021. The Secretariat will work with stakeholders in capacitation on the Validation likely new model and in preparing countries to use Validation as a tool for continuous improvement.

3.4 Europe

Germany, the Netherlands, Norway and the United Kingdom have made good progress with EITI implementation and Validation. In each case, the priority is to ensure a cost-effective approach to EITI implementation that adds value to national debates. Common themes include open government, combatting corruption, promoting trade and investment, energy transition, COVID-19 response, structural adjustment and decommissioning. Adherence to the EITI Standard increasingly focuses on systematic disclosure, such as company reporting in accordance with the EU transparency and accounting directives.⁵

Implementation support for **Ukraine**, as a priority country, will focus on facilitating mainstreaming efforts, verification procedures for beneficial ownership disclosure and SOE transparency. **Ukraine** has an ongoing Validation which is expected to be concluded by the end of 2020. Support in **Albania** will focus on a review of its legal framework, as well as establishment of BO register. **Albania's** second Validation is expected to commence in January 2020 subject to transitional arrangements under the ongoing Validation review.

Peer learning and country exchanges in this region will be encouraged.

3.5 Validation

The year 2021 will be a transition year towards the new Validation model, expected to be agreed by the Board in Q4 2020. A substantial proportion of staff time has been dedicated to Validation. Validation has been carried out in accordance with the Validation procedures and schedule established by the EITI Board in 2016. Under the new model, the data collation work would take place ahead of the commencement of Validation under the supervision of MSGs. The purpose of

⁵ Note: EU Member States are required to transpose the 6th Anti-Money Laundering Directive (AMLD) into national law by 3 December 2020. Relevant regulations must be implemented by firms within Member States by 3 June 2021.

the revised model is to integrate Validation into the EITI implementation cycle. This means that MSGs would use the data collection tools throughout the year to exercise their oversight of the EITI process. The intent is not for MSGs and national secretariats to fill out data collection templates a few weeks ahead of Validation in order to meet the deadline. Introducing and operationalising this approach will require time and concerted efforts by the International Secretariat, the Board and partners. The new Validation model will require significant capacity building efforts for national secretariats, which will be built into the existing capacity building budget. Countries will need sufficient prior notice ahead of Validation to plan effectively. However, it is expected that the timeframe required for completing the Validation process will be reduced given that data collation would take place prior to Validation.

At the time of writing (September 2020), the EITI Board had processed 49 first Validations and 20 second and third Validations⁶. Eleven Validations are currently underway, with an additional 19 Validations scheduled to commence in Q4 2020 and Q1 2021.⁷ In addition, four countries are scheduled to undergo a Validation of Requirement 2.5 only starting 1 January 2021.

The Board is considering transitional arrangements for the adoption of the new Validation model, taking account of the new Validation model, new approaches to reporting in 2020 and the global COVID-19 crisis, which are expected to be agreed in Q4 2020. The Board is taking a flexible and holistic view to transitional arrangements that encourages progress and innovation, while allowing for recovery and capacity-building, as well as extensions in planned Validation start dates. It is expected that a group of 2-5 countries with Validations scheduled to commence in Q4 2020-Q1 2021 will request to undertake Validation following the current model. This could be a viable option for countries with few corrective actions and a default option for countries scheduled to undergo a Validation of Requirement 2.5 only. It is expected that a group of up to six countries will volunteer to participate in the piloting of the new Validation model in Q1-Q2 2020. The schedule for other Validations under the new model will depend on the Board's decision on transitional arrangements, although it is expected that not more than ten countries would have Validations commencing in Q3-Q4 2021.

It is expected that the new Validation model may be tweaked, in particular, the Validation Guide, procedure and data collection templates, following its piloting by a group of volunteer countries in Q1-Q2 2021. The International Secretariat will support the Validation Committee and Board's review of the lessons learned from the pilot Validations in Q1-Q2 2021 and improvements in the Validation model.

The new Validation model will displace some of the current costs of Validation to implementation support, given that the data collation work would take place ahead of the commencement of Validation. It is expected that the timeframe for completing Validations will decline, given this preparatory work. Nonetheless, adherence to a revised Validation schedule will require extensive desk reviews, stakeholder consultations and (in some cases) country visits. The Secretariat also supports the Validation Committee in overseeing this process, and in preparing recommendations for Board consideration. The time and costs required for second and subsequent Validations are

⁶ <https://eiti.org/document/validation-schedule-decisions#validationdata>

⁷ See <https://eiti.org/document/validation-schedule-decisions>

typically lower compared to first Validations, although the preparations for second Validations often leads to substantial demands for technical support. The International Secretariat will need to invest more in developing its own capacity for providing such support under the revised model

Actions

12. Carry out Validations in accordance with the revised Validation schedule and procedures established by the Board in accordance with the new Validation model.
13. Support the EITI Board in any further revisions to the new Validation model, including updates to the Validation Guide, procedure and data collection templates.

Budget allocation – Validation

It is foreseen that USD 1.24m of the budget (of which USD 0.9m are allocated staff costs) is spent on Validation. Validation will account for approximately 18% of staff time.

3.6 Outreach

The Board agreed a 2020-2021 Outreach Strategy in October 2019. Outreach to countries is expected to be strategic, focusing primarily on two sets of countries: (1) identified priority countries that are resource dependent and where there is high potential for achieving impact, and (2) other countries considering a commitment to join the EITI and requesting support from the Secretariat.

Priority countries include **Angola, Australia, Brazil, Chile, Lebanon, South Africa, and Tunisia**. **Ecuador's** candidature application was received in August 2020 for Board consideration in October 2020. **Lebanon** and **Tunisia** have indicated that their candidature applications are forthcoming in the next 2-6 months. **Angola** declared its intention to join in August 2020. Other countries considering a commitment to join the EITI and requesting support from the Secretariat include **the Bahamas, Bolivia, Equatorial Guinea, Egypt, Gabon, the Gambia, Jordan, Libya, Morocco, Sudan, and Uzbekistan**. The strategy recognises that **Equatorial Guinea's** candidature application is expected to be assessed by the Board in October 2020. The remaining countries have expressed an interest in the EITI process, either directly by government or by partners and other stakeholders in the countries.

The Secretariat's outreach activities to countries will rely, in part, on collaboration with partners including the IMF, World Bank, EU Delegation, GIZ and Norwegian Embassies, among others. EITI supporting companies are expected to continue to act as ambassadors for the EITI in priority countries. Support and collaboration are also expected among peer countries and civil society organisations. Where countries express interest in the EITI process, the Secretariat will be responsive and provide suitable support. The Secretariat will consider adapted EITI implementation for various countries, as appropriate. Outreach activities are likely to require

some involvement of the EITI Chair, the Executive Director and other senior representatives within the International Secretariat. In addition to support from the Secretariat in Oslo, activities may include visiting priority countries on specific outreach missions as well as other countries, and engaging with country representatives, as part of various conferences and missions to implementing countries subject to ongoing travel restrictions occasioned by the COVID-19 crisis.

Outreach to companies, particularly to commodity traders and state-owned enterprises (SOEs), plays a more significant role under the 2020-2021 Outreach Strategy. Such outreach builds on the recent EITI reporting guidelines for transparency in commodity trading and ongoing work with national oil companies such as Qatar Petroleum, Nigerian National Petroleum Corporation and Ghana National Petroleum Corporation. Outreach to companies will increasingly target new financial institutions as finance and investment decision-making increasingly considers company support for the EITI, adherence to the Expectations for EITI supporting companies and achievement of environmental, social and governance (ESG) factors. The Secretariat is specifically engaging with banks on trade finance and is developing a work plan for outreach and engagement with financial institutions to support and grow the sub-constituency. Outreach to new companies and continuing engagement with existing supporting companies will consider observance of the Expectations for EITI supporting companies. Funding and membership requirements for commodity traders, financial institutions and other industry partners may be considered. EITI supporting companies remain a significant contributor to EITI funding and a continued driver of policy and improved company disclosures.

The Secretariat will use informational materials, media, conferences, speaking and workshop opportunities, and targeted meetings to engage with new companies. Depending on travel restrictions, these may include workshops with trade financiers and other financial institutions; attendance and participation at industry conferences like Africa Oil Week, Investment in Africa Mining Indaba, PDAC, and others; an SOE workshop; and targeted meetings with companies in London and other industry hubs. The scope for in-person engagement will be determined by ongoing travel restrictions.

The budgetary implications of the 2020-2021 Outreach Strategy include staff time, travel, presentations, conferences, workshops, communications and other administrative costs for the International Secretariat.

Actions

14. Support outreach activities to countries in accordance with the EITI's 2020-2021 Outreach Strategy.
15. Conduct outreach to companies, including oil and gas and mining companies, financial institutions, commodity traders and SOEs, concerning support for the EITI and furtherance of the Expectations for EITI supporting companies and existing and emerging EITI policy areas.

Budget allocation – Outreach

It is foreseen that USD 0.3m of the budget is spent on outreach, assuming reduced travel in 2021. Outreach will account for 2% of staff time.

4. Global implementation themes

Cross-cutting themes

4.1 Advancing systematic disclosure and open data

The EITI has made progress in changing its implementation guidance and the way it validates countries, prioritising disclosure directly by the reporting entities “at the source”. More countries publishing data required by the Standard online. The Secretariat is seeking to accelerate progress by adopting support tools to evaluate the state of systematic disclosures across countries, as well as sharing experience on what systems are being used. More work needs to be done in streamlining and making guidance more actionable. The work on systematic disclosure is closely linked with the EITI’s open data work in implementing countries. As countries consider publishing information online, they should, as part of their open data policy, consider if the information can be made available in an open format.

In February 2020, the EITI Board established a pilot to accelerate systematic disclosures in EITI countries.⁸ The pilot is considering a wide range of context and conditions, encouraging MSGs to become active agents in using data to undertake analysis, influence decision makers and direct information to wider set of users. This also addresses the demand from implementing countries to strengthen EITI reporting and reduce costs by fostering peer learning and best practice. In 2021, the Secretariat will continue to support implementing countries that agree to participate in the pilot.

With regards to publishing the summarised EITI data from implementing countries, the Secretariat intends to focus its efforts in 2021 on enhancing data access, including visualisations that showcase progress on systematic disclosure overtime. Experiences from updating the API in 2020 revealed weaknesses in the database structure which the Secretariat will consider revising in 2021. As countries’ progress on systematic disclosures mature, and data is increasingly provided through government and corporate websites, the International Secretariat foresees that revisions will be needed to incorporate these changes. The approach to summary data will also be aligned with the data collection required from implementing countries following the Validation Review. The Secretariat will therefore begin to explore options for revising its Summary data template in time for the Global Conference in 2022.

⁸ Board Decision 2020-07/BM-46

Actions

16. Support multi-stakeholder groups to consider options for systematic disclosure through systematic disclosure analysis, feasibility studies and wider stakeholder engagement.
17. Continue piloting alternative approaches to EITI Reporting that safeguard timely, comprehensive and reliable disclosures in accordance with the 2019 EITI Standard.
18. Support MSGs, national secretariats and independent administrators (IAs) in summary data collection, linked to preparation of documentation for Validation.

4.2 Anti-corruption and domestic resource mobilisation

The strategy consultation with implementing countries and a survey of MSG work plans identified anti-corruption and domestic resource mobilisation as two areas of high priority to which the EITI can make a clearer contribution. These areas of work are also interconnected - corruption threatens domestic resource mobilisation by, for example, increasing the risk that resource-rich countries sign unfavourable contracts. The Secretariat will be providing support to EITI stakeholders to build their capacity to analyse data and contribute to policy making in these areas. With support from USAID, country-sensitive impact evaluation frameworks will be developed in selected EITI countries which will include proposals on how to measure the EITI's impact on anti-corruption reforms at the country level and guidance to the MSG on how to engage in anti-corruption reforms using the EITI process. The Secretariat will conduct workshops with MSGs in selected countries aimed at strengthening multi-stakeholder governance to fight corruption.

The Secretariat is also collaborating with NRG1 on a development of a corruption risk assessment tool for MSGs, which will be piloted in selected countries in 2021.

Actions

19. Develop guidance for MSGs on defining their role in addressing corruption in the extractive sector and how to increase the EITI's impact on domestic resource mobilisation through disclosures and multi-stakeholder dialogue.
20. Organise workshops with partners aimed at strengthening multi-stakeholder governance to fight corruption and facilitate dialogues between MSGs and anti-corruption bodies in countries.
21. Support selected countries in evaluating the impact of EITI on their country's anti-corruption agenda in the extractive sector

4.3 Energy transition

Following up on the recommendations from the Chatham House paper on *Transparency in*

Transition: Climate Change, Energy Transition, the EITI Board is considering the implications of the energy transition for countries implementing the EITI. The paper recommended that the EITI ‘mainstream’ transparency on energy transition in the implementation of the EITI Standard as a cross-cutting issue, building on experiences and practices at country level. Following Board approval of a paper setting out the next steps related to energy transition and successful mobilisation of financial support, the Secretariat plans to undertake activities to help better understand and realise the potential value of EITI disclosures and the multi-stakeholder platform for dialogue on the economic implications of the energy transition on implementing countries.

Actions

22. Organise webinars for MSGs to building capacity of MSGs to engage in informed debate on the economic impact of the energy transition.
23. Support country-level analysis on issues related to the energy transition in a select number of countries where there is interest and demand, to build a use case for EITI data in the energy transition.
24. Consult and engage with the industry and institutional investor constituencies on how the energy transition may affect extractives transparency.

4.4 Improving multi-stakeholder governance

Besides a stronger focus on identifying governance risks, including closing civic space, the Secretariat proposes to follow-up on the identified governance challenges in some EITI countries⁹, especially due to the different challenges posed by COVID-19 which have affected the timely implementation of work plans in most countries. The Secretariat will focus on supporting countries in finding practical solutions to help them adapt to the global pandemic. This includes regular monitoring of country developments, proposing flexible approaches to the Board as the global situation evolves, supporting the MSG in ensuring high-level political commitment to EITI amidst shifting national priorities and helping countries identify financial and technical resources for implementation.

Actions

25. Support MSGs in aligning the EITI with national objectives and encourage data analysis and meaningful recommendations.
26. Support MSGs in identifying solutions to address governance challenges related to COVID-19
27. Follow-up on the Board’s recommendations with regards to governance challenges in implementing countries. This includes compiling and sharing good practices of stakeholder

⁹ See Board paper 38-7-B Common governance challenges in EITI Implementing countries - update and proposed next steps; Board decision: <https://eiti.org/BD/2017-58>.

oversight of natural resource governance beyond the MSG and updating and distributing relevant guidance notes on MSG oversight.

4.5 Monitoring and evaluation

The Secretariat monitors its performance against the Key Performance Indicators (see Annex B) throughout the year. The Secretariat will publish the 2021 EITI Progress Report showcasing the work undertaken to strengthen impact across countries. Another focus will be to show how countries have adjusted their EITI implementation in response to the flexibility granted by the Board in response to the Covid-19 crisis.

In 2021 the Secretariat will strengthen its work on impact, on two levels. Firstly, at the country level, the Secretariat will provide implementation support on work plan design and measurement, evaluation and learning (MEL) frameworks. Secondly, on the international level, the Secretariat will undertake an independent evaluation following Board approval.

Actions

28. Report to the Board on its own performance through implementation, outreach and finance reporting, regularly submitted to the Board.
29. Lead on the development of a country sensitive MEL framework and strengthen work plan design support.
30. Commission and support a consultant in the execution of an independent evaluation of the EITI's impact.

Budget allocation – Monitoring and evaluation

An independent evaluation is expected to cost USD 300-400,000.

Policy priorities

4.6 Beneficial ownership disclosure

Deepening the implementation of the beneficial ownership (BO) disclosure will continue to require intensive support from the Secretariat and partners in 2021. The Secretariat is working in partnership with Open Ownership to provide tailored support to 8-10 countries in 2021-2025 with substantial grant support from the BHP Foundation. This support will focus on implementing policy reforms, collecting and updating the BO data as well as verifying its quality, making it

possible for oversight actors to access reliable ownership information and to identify and address corruption risks. As part of its participation in the IMF Anti-corruption Challenge, the Secretariat is also working together with Directorio Legislativo, a Colombian think tank, in developing a tool to cross-checking BO data to identify red flags. Finally, the Secretariat will disseminate lessons learned from participating in a technical group led by the World Economic Forum's Partnering Against Corruption directed at developing a BO verification pilot focussed on an EITI implementing country.

Actions

31. Launch the joint technical assistance programme with Open Ownership. Through the programme, provide targeted support to countries by giving legal and technical guidance based on demand, as well as facilitating exchanges between implementing countries.
32. Continue working with key partners such as Open Government Partnership, Open Ownership, Directorio Legislativo, NRGI, World Economic Forum, Tax Justice Network and Transparency International with broader efforts to improve ownership transparency globally.
33. Engage with companies and the 'Big Four' accounting firms on their BO transparency commitments and co-organise the London BO Forum hosted by BHP in 2021.

4.7 Contract transparency

The 2019 EITI Standard requires implementing countries to publish contracts and license agreements governing oil, gas and mining operations that are entered or amended from 2021. The Secretariat will prioritise efforts to ensure that each country has comprehensive contract disclosures, a legal framework enabling comprehensive and timely disclosures of contracts and building a shared understanding of how contracts can be used and analysed by stakeholders. To further provide support to countries to implement contract transparency and make this the default from 2021 onwards, the implementing country constituency agreed to establish a network of governments to provide a forum for governments to share experiences on contract transparency.¹⁰ Several webinars/forums are planned in 2021, including a high-level forum in Q2.

There is expected funding from USAID for contracts mapping¹¹, legal review¹², and workshops on contract analysis¹³ in 2021-2022.

Actions

34. Revise, publish and disseminate new guidance on contract transparency, conduct capacity

¹⁰ The members of the network include Armenia, Cameroon, Chad, DRC, Ghana, Guinea, Guyana, Indonesia, Malawi, Mexico, Mongolia, Mozambique, Nigeria, Philippines, Senegal, São Tomé and Príncipe, Tanzania and Zambia.

¹¹ Iraq, Níger, Nigeria, Argentina, Colombia, Ecuador, Guyana, Mexico and Peru

¹² Iraq, Madagascar, Nigeria, Argentina, Colombia, Ecuador, Guyana, Mexico and Peru

¹³ Chad, Philippines, Togo, Argentina, Colombia, Ecuador, Guyana, Mexico and Peru

building activities with national stakeholders and provide technical support to countries that are undergoing legal reforms.

35. Mobilise further government support and commitment to contract transparency through the contract transparency network.
36. Follow-up with companies that commitments on contract transparency made at the global level, so that these are translated at the national level.

4.8 Revenue collection and tax policies

Building on the experiences with disclosing company payments and revenues from the extractive sector, it is proposed that the Secretariat supports implementing countries in using EITI reporting to help inform debates on how to improve revenue collection and develop sound and stable tax policies. The work will build on emerging practices in implementing countries and the expertise of partner organisations on identifying and addressing revenue loss risks in the extractive sector, such as IGF¹⁴ and OECD. This involves supporting MSGs in strengthening inter-agency cooperation and informing public debate on extractives taxation. The Secretariat will also monitor and report to the Board on country progress on project-level reporting.

Actions

37. Support implementing countries in identifying and addressing revenue loss risks in the extractive sector through financial modelling and facilitate peer learning on using EITI data to help inform debates on revenue collection and tax policy.
38. Develop monitoring tools for countries' progress on project-level reporting.
39. Engaging with companies to promote the benefits of fiscal transparency and to highlight and share best practices.

4.9 Engagement with state-owned enterprises

The EITI's targeted efforts on SOE transparency will continue seek to improve public oversight of SOEs, champion systematic disclosure practices by SOEs, and build capacity of stakeholders to analyse SOE disclosures. Following successful engagement with GNPC, NNPC and Qatar Petroleum in 2020, the EITI officially relaunched the SOE network in late 2020 and will convene the network throughout 2021. Whilst SOEs have in some cases been associated with financial opacity and mismanagement, volatile commodity prices are incentivising SOEs to be transparent in their operations as countries seek to maximise profits from natural resources. The Secretariat will work with stakeholders in implementing countries to explore how impacts of the COVID-19

¹⁴ Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF)

pandemic and the energy transition will affect state participation and SOE transparency.

Actions

40. Develop guidance for SOEs, MSGs and national stakeholders on the case for and use of disclosures for improving transparency. This guidance will link to ongoing discussions on the impact of COVID-19 and the energy transition on the extractive industries and the role of SOEs.
41. Provide targeted support to a minimum of three SOEs on systematic disclosures with the aim of mainstreaming transparency in SOE reporting.
42. Provide targeted support to MSGs in the analysis of SOEs disclosure to foster understanding and dialogue on SOE governance at a national level.
43. In collaboration with SOE champions and partners, conduct a virtual or in person workshop aimed at developing peer networks among SOEs and sharing feedback on EITI implementation.

4.10 Commodity trading transparency

With the completion of the Reporting Guidelines for Buying Companies in 2020, the working group is keen to build on this moment through further engagement with buying companies, trading hubs and banks. There exists potential for emerging technologies to guarantee the integrity of supply chains especially with the increased demand for battery minerals. To this end, the Secretariat is looking to collaborate with organisations pioneering innovative solutions to increasing transparency in commodity trading.

Actions

44. Oversee, with the working group on commodity trading transparency, the implementation of the targeted effort on commodity trading, including providing support and guidance to existing and new countries joining the effort, finalise guidance on resource-backed loans, undertake an analysis of the disclosures to date, and investigate the opportunity to leverage emerging technologies to improve commodity trading transparency.
45. Outreach to buying companies, upstream companies with trading desks and trading hubs on the implementation of the reporting guidelines for buying companies.
46. Contribute to shaping global policy on commodity trading transparency and complementary efforts by other organisations such as the OECD.

4.12 Gender, social and environmental impact

In response to growing interest about gender, social and environmental impact across implementing countries, the 2019 EITI Standard includes new provisions related to gender and environment. A stocktake in June 2020 focused on progress with implementing the gender

requirements showed promising advances towards making the sector more inclusive through EITI implementation, but that further guidance is required at the country-level.

Actions

47. Provide support and guidance to countries in implementing provisions of the Standard on gender, including disseminating guidance notes and documenting best practice and impact stories.
48. Facilitate dialogue between stakeholders including women's organisations and networks to share experience on implementing requirements related to gender and build capacity at the country-level.
49. Develop guidance on environmental reporting as well as highlight and disseminate innovative ways of environmental reporting and further investigate possible linkages to other existing reporting and ESG mechanisms.

4.13 Local governance

Research undertaken by the EITI Secretariat with support from the Ford Foundation has helped identify the potential for EITI to work more closely with partners and MSGs to help communities hold central and local governments and companies accountable for the management of extractive resources. This includes supporting timely and reliable data disclosures by governments (both central and local) and companies on areas of relevance to local communities. It also requires encouraging dialogue and debate at the subnational level through information that is tailored to audiences and organising of demand-driven, inclusive and participatory activities. This will be more challenging than ever in the COVID-19 context. The Secretariat is seeking to mobilise support from partners with networks, experience and expertise in promoting and supporting local governance.

Actions

50. Raise financial support to document the impact of EITI implementation at the subnational level and improve assistance to implementing countries on subnational reporting, multi-stakeholder dialogue and stakeholder engagement at the local level.
51. In collaboration with partners, identify opportunities for systematic disclosures by companies, central governments and local governments and building capacity on analysis and communication of data by local actors.

5. Communications

The Secretariat continues to implement its communications strategy, which was revised early in

2020. The visual below illustrates the direction set in the strategy.

Moving from...



...moving to

Communications context

During 2021, COVID-19 is likely to continue to dominate the news cycle, and the Secretariat will continue to explore and explain the impact of the pandemic on extractives governance through its communications products. The organisational narrative on the energy transition will be developed as Board discussions on this topic progress and in the run-up to COP 26 in November 2021. During the second half of 2021, attention will also turn to themes to be discussed in the 2022 Global Conference.

Communications themes and campaigns

Communications initiatives are now better integrated into planning on policy and regional initiatives, facilitating a more proactive and planned approach. Two policy themes are priorities for communications activity in 2021 – contract transparency and beneficial ownership transparency. Other key policy themes for 2021 include state-owned enterprise and commodity trading transparency, environmental reporting, subnational reporting and gender disclosures.

Working with country leads, a range of interventions has been identified for 2021, which include:

- Highlighting impact stories and sharing learning across regions (e.g. through blogs, the annual progress report, news items and briefs).
- Selectively placing articles or opinion pieces in national media outlets, to support political commitment to the EITI process and raise awareness about the EITI's mission.
- Collaborating more closely with national secretariats in their communications and dissemination activities.

- Supporting public debate that uses EITI data and enables the EITI to connect with key national priorities (e.g. through webinars, publications).
- Publishing coverage of Validation decisions.

In addition, communications campaigns are planned around key events, including:

- Explaining the Validation review outcomes and transitional arrangements – Q4 2020 – Q2 2021
- Building commitment and momentum on contract transparency – Q4 2020 – Q1 2021
- Launch of beneficial ownership project with Open Ownership (if successful) – Q4 2020 - Q1 2021

Provision for consultancy support has been included in the communications budget to cover costs of a survey in selected countries. Based on the survey, the International Secretariat intends to consider how 2013 guidance material [‘Talking Matters’](#) should be revised and reinigorated. The communications team will continue to offer advisory support to implementing countries (priority countries and on demand) on their communications strategies and on platforms developed at a national level (for example websites, beneficial ownership registers). The Secretariat’s communications will also continue to highlight examples of leading corporate disclosure practice.

Communications channels

The International Secretariat is adopting a more visual approach across all communications channels.

The largest communications channel for the International Secretariat is media outlets (print and online), with audiences primarily in the US, UK and EITI implementing countries. Approximately 5.1k articles each year mention the EITI. With some exceptions, substantial coverage is largely concerned with milestones such as EITI candidature and report publication. During 2021, the International Secretariat will seek out opportunities for more targeted media coverage, working with national secretariats where possible to achieve this.

The Secretariat’s website attracts approximately 195,000 users per annum and during 2021 will undergo substantial redesign (see below). Social media and newsletter subscriptions continue to grow. The newsletter was re-launched in January 2020 and receives positive feedback. The ‘Transparency Matters’ seminar series, also launched in 2020 to reach a broader audience, will continue to be developed, using a combination of webinars and physical events when the latter become feasible.

EITI Communications channels



5.1 Website development

The International Secretariat's website is undergoing a redesign and will be migrated to an updated platform in March/April 2021. A comprehensive review of functionality and content is being undertaken prior to the migration.

In line with our communications strategy, the redesign and content review will aim to:

- Explain our mandate and sharpen our narrative on impact.
- Demonstrate the EITI's priority themes.
- Show the potential of EITI data.
- Present an outward focus, rather than a preoccupation with internal processes.
- Present material that is well-targeted and engaging to our users.
- Reduce text length by seeking to 'show' not 'tell'.

Other priorities for the functional redesign and content review were confirmed in user research undertaken in 2020 and include:

- **Search, navigation and language.** On language, user research showed that the site is not usable for non-English speakers. A solution is being sought to allow improved navigation for non-English speakers through key sections of the site.
- **Guidance and policy.** A new, more visual format has been developed for guidance notes. This will be combined with improved layout of guidance pages to create a more user-friendly presentation of guidance material, including navigation by theme.

- **Data.** Options are being explored for a more flexible and engaging way of modelling the use of EITI data. The data section of the website, which gives access to the EITI's data in full, can be improved to cater for different levels of users, from general to more technical.

Other objectives from the site redesign include reducing staff time spent updating the site and complying with revised accessibility guidelines in force in the EU and Norway.

Actions

52. Produce and distribute regular content (news items, newsletters, audio-visuals, opinion editorials, social media updates) and deliver key products for EITI-led events.
53. Produce a 2021 EITI Progress Report that documents how the EITI leads to change in countries, including the findings from implementation and thematic issues.
54. Upgrade the EITI website to increase accessibility to information on the EITI, EITI data and guidance on the EITI Standard.
55. Support countries in their communications strategies.

Budget allocation – Communications

The total anticipated spend in 2021 is USD 1.14m, including an estimate for website costs of up to USD 4000k. Communications and data will account for approximately 14% of staff time.

6. Management and administration

6.1 Management of the Secretariat

Following successful recruitment in 2020 staffing numbers are now levelling out. Full time permanent staffing towards the end of 2020 is 38, which is a net addition of 5 staff from 2019. (see

Annex A - EITI International Secretariat and Annex D – Summary of planned allocation of staff time for 2021). These include a dedicated Human Resources Manager alongside a new Finance Manager. Any future recruitment to support core Secretariat activities would be for fresh staff to replace departures. Should we succeed in securing a substantial project grant on beneficial ownership transparency we would recruit two dedicated staff to manage that project.

Staff development is key in building internal capacity, especially in a diverse team. We developed a more structured approach to training and staff development in 2020 to reflect individual needs and organisational priorities. Developing communication, writing and presentation skills, analytical skills related to Validation, and line management training are among the priorities going forward. The Secretariat will also be considering the appropriate mix of skills and experience it requires among staff in delivering the work plan under the leadership of the new Human Resources Manager.

The Secretariat continues to rely on a blend of finance from supporting governments and companies. The corporate engagement director hired in 2019 has increased engagement with companies, including financial institutions and investors and maintained the existing level of contributions despite the economic downturn. The funding model, with multi-year contributions becoming the norm, has broadly been successful in raising more core support. Core funding is much more efficient and predictable than piecemeal fundraising. However, contributions from the implementing countries are still limited and we do not anticipate addressing this until the present crisis has abated. The Secretariat will continue to seek fundraising opportunities beyond current commitments for specific projects. As a consequence, more time is now taken in reporting and accounting for project-specific funding.

Actions

- 56. Recruit two dedicated staff to manage and deliver new large-scale project on beneficial ownership transparency.
- 57. Roll out the staff training plan to strengthen internal capacity and core skills.

Budget allocation – Management and Administration

It is foreseen that USD 1.45m of the budget is spent on management and administration. Management and administration will account for approximately 9% of staff time.

7. 2021 Budget

The budget and related risks is addressed in this section along with a multi-year outlook. The provisional 2021 budget figures and scenarios presented to the Board in October 2020 have been updated, with more detailed cost allocations and some revision in the organisation and presentation of costs by function.

7.1 Revenue and expenditure overview

In terms of revenues, the work plan sets out a proposed budget of USD 8.562m (Table 2). The budget includes a significant project on BO transparency for USD 7.2m over 5 years of which USD 1.957 is included in 2021. While the project will be implemented in collaboration with Open Ownership, the Secretariat has responsibility for the overall management of the project and the budget. With more long-term commitments and likely project-specific funding from private foundations and to support policy work and capacity building, we are confident that USD 8.562 represents a realistic estimate of total Secretariat revenue in 2021.

Whilst minimum funding requirements are now in place for all constituencies except supporting countries, revenue predictability remains challenging. Existing multi-year agreements are expected to yield at least USD 5.0m in revenue for 2021. Due to the economic crisis caused by the COVID-19 pandemic, support from implementing countries could decrease in 2021, as governments adjust ODA spending. Contributions from companies are less predictable but are expected to grow as the EITI broaden its reach to include financial institutions and SOEs. As in 2020, spending will closely reflect anticipated revenues, with modest budget surplus of USD 0.069m. To offset the cost of Global Conference in 2022, it is prudent to run a budget surplus in 2021. In cases of substantial decrease in revenues in Q1 2021, the Secretariat will update its work plan and budget. In the unlikely event of substantial decrease in revenues, regional training plans and work on emerging policy areas would have to be scaled down and the number of Board meetings could be reduced from three to two or held virtually. On current projections we expect spending in 2020 to remain lower than previous years while travel and physical board meetings remain curtailed.

Whilst funding at the international level is in a better state than in the past few years, funding for implementation in countries faces significant challenges. There is a need for a collective push to improve the predictability of funding if the EITI is going to be sustained at the country level. This will have no impact on the Secretariat's budget beyond short-term technical assistance to support implementation where national secretariats face acute funding challenges.

The reserve of USD 2.0m (NOK 18.0m), which provides four months cover and can be called upon when needed, contributes towards financial sustainability. Since the Secretariat obtains most revenue in US dollars but pays more than half of its costs in NOK, there is always unpredictability due to currency fluctuations. The rate used in the budget is 9.00 NOK/USD which is an increase from 8.50 NOK/USD used in the 2020 budget, remains a conservative estimate based on current trends.

In terms of expenditure, USD 8.562m is an increase of USD 2.416m compared to the 2020 forecast of USD 6.146m, adjusting for additional costs and expected grant resources of USD 1.857m from the beneficial ownership transparency project. Overall salaries, the most significant type of expenditure, are expected to increase by 9.5% due to a combination of inflation (2.0%), performance-related salary increases (around 2%), and new staff (5%). Office and IT expenses are expected to go up by 32.4% in 2021 as a result of purchase of equipment's to adjust to remote working due to the COVID-19 pandemic. Travel and accommodation expenses are expected to increase compared to the 2020 forecast due to a gradual softening of travel restrictions in 2021, but it will remain well below the 2020 budget. The support to beneficial ownership disclosure will

increase significantly through the ground-breaking BO transparency project, which is in partnership with Open Ownership. A new cost category of project subgrants has been created to reflect this arrangement.

Table 1: EITI historic figures 2010-2019

All figures in USD thousands

| Item | 2010 | 2011 | 2012 | 2013 | 2014 | 2015* | 2016* | 2017* | 2018* | 2019* |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual |
| Implementing countries | | | | | | | | 105 | 120 | 98 |
| International development partners | | | | | | | | | | |
| Supporting countries & IFIs | 1 931 | 2 987 | 3 019 | 3 656 | 3 108 | 2 708 | 3 104 | 4 685 | 4 783 | 4 225 |
| NGO's & foundations | | | | | | | | | | 52 |
| Private sector (approx. 50% of remaining requirement) | | | | | | | | | | |
| Investors | 4 | 14 | 13 | 10 | 10 | 9 | 7 | 20 | 29 | 15 |
| Oil and Gas | 749 | 1 003 | 1 254 | 1 205 | 1 263 | 1 110 | 1 522 | 1 130 | 1 052 | 1426 |
| Mining and Minerals | 130 | 816 | 635 | 904 | 634 | 575 | 867 | 716 | 706 | 901 |
| Non-extractives | 0 | 0 | 0 | 10 | 16 | 10 | 56 | 74 | 70 | 31 |
| Total Revenues | 2 814 | 4 821 | 4 920 | 5 784 | 5 031 | 4 411 | 5 557 | 6 731 | 6 761 | 6 747 |
| Costs | | | | | | | | | | |
| Implementation | 207 | 162 | 200 | 706 | 471 | 1 602 | 1 225 | 1 549 | 1 690 | 1 455 |
| Outreach | 105 | 151 | 169 | 212 | 214 | 263 | 114 | 63 | 71 | 125 |
| Board meetings | 458 | 428 | 496 | 605 | 559 | 959 | 518 | 772 | 577 | 829 |
| Communications | 95 | 226 | 173 | 461 | 536 | 546 | 600 | 432 | 436 | 664 |
| Chair's support | 154 | 86 | 35 | 35 | 50 | 33 | 164 | 165 | 175 | 130 |
| Project consultants | 107 | 305 | 168 | 186 | 145 | | | | | |
| Salary | 1 403 | 1 922 | 1 779 | 2 260 | 2 363 | | | | | |
| Other staff expenses | 93 | 72 | 173 | 155 | 252 | | | | | |
| Office expenses | 179 | 363 | 562 | 452 | 381 | | | | | |
| Conference | 219 | 958 | 261 | 1 442 | 54 | 124 | 996 | | | 1 417 |
| Training | | | | | | 476 | 352 | 658 | 433 | 183 |
| Shareholder rel. /Int. advocacy | | | | | | 219 | 117 | 141 | 157 | 201 |
| Management & Operations | | | | | | 619 | 685 | 766 | 872 | 1 173 |
| Validation | | | | | | 239 | 506 | 995 | 1 178 | 973 |
| Total Expenditure | 3 020 | 4 672 | 4 017 | 6 512 | 5 026 | 5 080 | 5 280 | 5 541 | 5 589 | 7 150 |
| Net result | (206) | 149 | 904 | (728) | 5 | (669) | 277 | 1 190 | 1 172 | (403) |

*From 2015 onwards, figures include an allocation of staff costs to each function. Salary and office cost from previous years are fully included under Management & Admin

Table 2: 2020 forecast and 2021 budget

All figures in USD thousands

| Item | 2021 Budget | 2020 Forecast | 2020 Budget | % increase 2020-2021 |
|---|----------------|------------------|----------------|-------------------------|
| Implementing countries | 100 | 38 | 100 | 0,0 % |
| <u>International development partners, including donors, NGO's and foundations</u> | | | | |
| Supporting governments, IFIs, NGOs and foundations | 4 387 | 3 894 | 4 835 | -9,3 % |
| BHP foundation (1) | 1 957 | | | |
| <u>Private sector</u> | | | | |
| Oil and Gas | 1 220 | 1 000 | 1 100 | 10,9 % |
| Mining and Minerals | 810 | 743 | 900 | -10,0 % |
| Financial Institutions | 30 | 450 | 50 | -40,3 % |
| Non-extractives | 75 | 14 | 15 | 400,0 % |
| <u>Net interest income</u> | (17) | 7 | - | |
| Total Revenues | 8 562 | 6 146 | 7 000 | |
| <u>Costs by function</u> | | | | |
| Support to the EITI Chair and Board | 883 | 744 | 1 050 | -15,9 % |
| Global conference | 10 | - | - | |
| Implementation | 1 938 | 1 409 | 1 900 | 2,0 % |
| Project subgrants (2) | 1 103 | | | |
| Capacity building | 423 | 173 | 700 | -39,6 % |
| Validation | 1 239 | 814 | 1 200 | 3,3 % |
| Outreach | 306 | 258 | 450 | -32,0 % |
| Communications (3) | 1 140 | 624 | 700 | 62,9 % |
| Management and administration | 1 452 | 1 179 | 1 000 | 45,2 % |
| Total Costs by function | 8 493 | 5 201 | 7 000 | |
| <u>Costs by type</u> | | | | |
| Salary (4) | 3 943 | 3 072 | 3 600 | 9,5 % |
| Other staff expenses (5) | 442 | 562 | 75 | 489,5 % |
| Office and IT expenses | 993 | 603 | 750 | 32,4 % |
| Travel and accommodation (6) | 633 | 338 | 1 600 | -60,5 % |
| Translation and interpretation | 565 | 436 | 500 | 13,1 % |
| Publications | 51 | | | |
| Project consultants (7) | 602 | 189 | 400 | 50,6 % |
| Project subgrants (2) | 1 103 | | | |
| Other expenses | 161 | - | 75 | 114,1 % |
| Total Costs by type | 8 493 | 5 201 | 7 000 | |
| Net result | 69 | 945 | - | |
| Average exchange rate NOK/USD (8) | 9 | 9,53 | 8,5 | |

(1) On 1st December 2020, the EITI Board approved the Opening Extractives Programme, which focuses on beneficial ownership transparency and is funded by the BHP Foundation. Subject to final agreement by both parties, the BHP Foundation (the Grantor) will make a grant of USD7,200,000 to the EITI (the Grantee) over a period of five years (from 2021-2026).

(2) The above-mentioned Opening Extractive Programme was jointly developed by the EITI International Secretariat and Open Ownership. It is foreseen that the EITI International Secretariat will subgrant to Open Ownership some of funds to deliver technical assistance on beneficial ownership disclosure to EITI member countries. Although this amount is part of support to implementation, it is shown separately for ease of reference. Similarly, capacity building is part of the Secretariat's support to implementing countries but shown separately for ease of reference.

(3) The Secretariat is undertaking a major redesign of the EITI website in 2021. A substantial part of the increase in communication cost is not reoccurring cost.

(4) In addition to inflation adjustment to salaries plus adjustment for performance and promotion, it is foreseen that two new staff will be hired to support the implementation of the Opening Extractive Programme.

(5) The sudden increase in "other staff cost" is mostly due to a reclassification of the Secretariat's accounts to more accurately reflect staff expenses in Norway vs consultants abroad. It also includes relocation cost and other staff related cost during the COVID-19 pandemic.

(6) It is foreseen that travel will resume in 2021, but not back to normal.

(7) The implementation of the Opening Extractive Programme will involve deploying consultants to provide direct support to a select group of implementing countries. Other financing sources with project consultants include SECO, DFID, USAID and the EU.

(8) The exchange rate of 1USD = 9 NOK is seen as conservative based on current trends. Given that most of the Secretariat expenses are in NOK and that most of its revenues are in USD, a conservative estimate on the exchange rate would have an overall positive effect on the Secretariat's accounts.

7.2 Scenario budgeting

In its meeting on 4 December 2020, the Finance Committee agreed to discontinue the previous practice of scenario planning for low, expected and high range budgets. This is to avoid confusion about the agreed budget and reduce uncertainties.

7.3 Risks to the work plan

The Secretariat foresees four key risks to the execution of the work plan. Firstly, and most significantly, there is a concern that there will not be sufficient funding for EITI implementation. A survey conducted by the Secretariat in September 2020 found that the majority of costs (72%) are carried by implementing countries governments. Although most countries provide more than 50% of total costs, a few countries are still highly dependent on donor support, raising concerns about the sustainability of implementation. Another key finding is that several countries are facing significant or severe funding gaps. Twelve of the 53 countries have funding gaps of 40% of their expected budget or higher, while others have reduced their budget for EITI implementation on account of the COVID-19 crisis. The shift towards encouraging systematic disclosure should reduce the cost of EITI implementation in the long run. However, the changes needed often require substantial technical and financial support. The outlook for EGPS support from the World Bank to implementing countries has improved with fresh donor commitments. A major fundraising effort for EITI implementation may be necessary to maintain momentum.

Secondly, there is a concern on the part of some board members that there is a move away from transparency to broader governance commitments. The core mission of the EITI continues to focus on improved extractives governance. The Board and Secretariat will continue to make the case for the EITI in different and changing environments, and to adapt to the effects of the global

health pandemic, while remaining relevant in the face of newer political agendas. Furthermore, the Standard will need to adapt to diverse circumstances while recognising the focus in 2021 will be on consolidation of the gains in the 2019 Standard.

Thirdly, there is a risk that the health and economic impacts of COVID-19 continue to pose challenges for EITI implementation. Flexible reporting and virtual missions have mitigated the impact of global travel restrictions, but the challenges remain considerable.

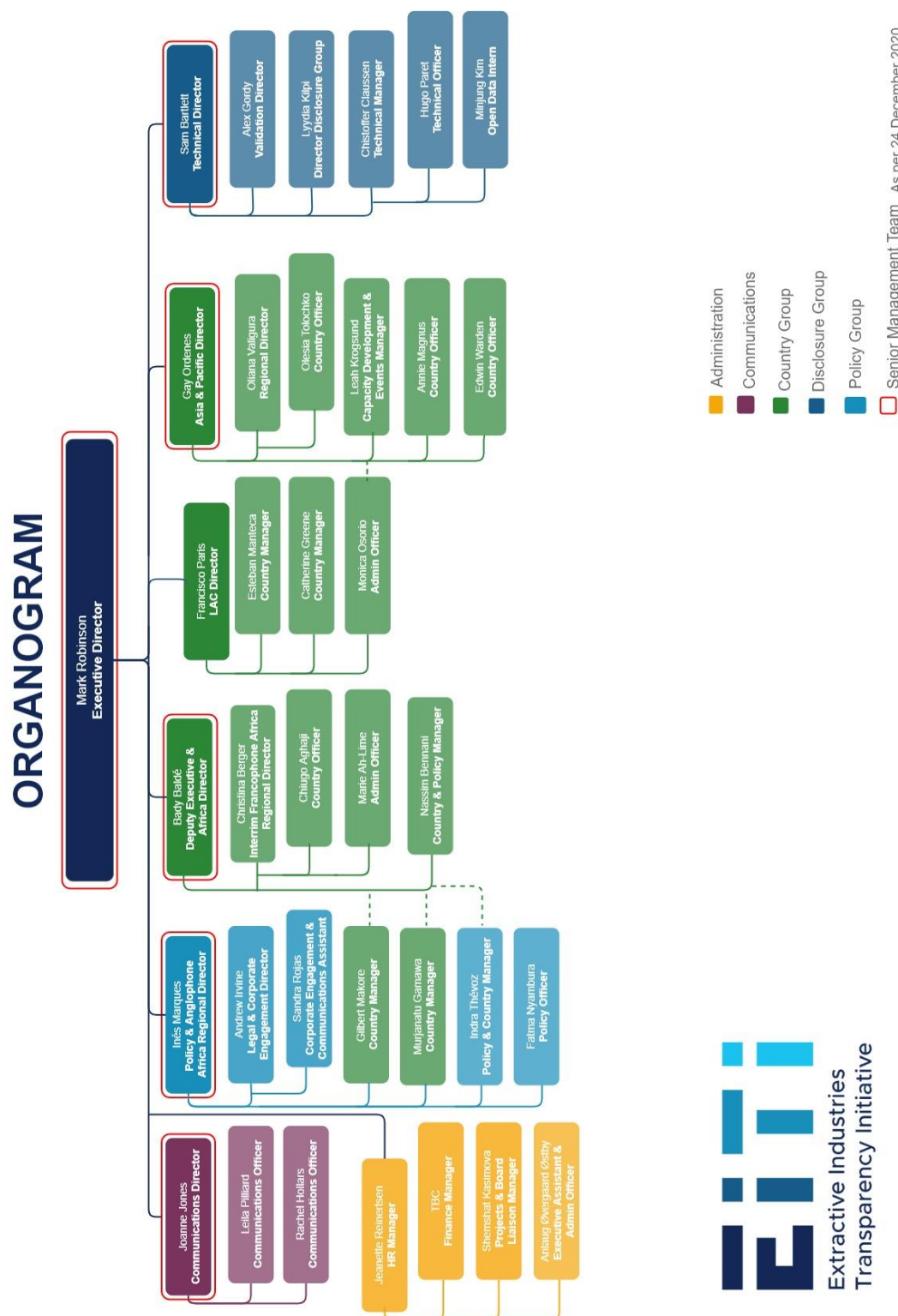
Fourthly, there is a risk that the Secretariat staff cannot deliver fully on the work plan. The work plan is ambitious and staff turnover or capacity limitations could impact on the ability to deliver. The Secretariat is taking steps to mitigate these risks by maintaining staff retention, training for new staff, and the use of consultants for implementation support.

The Secretariat foresees two risks to the budget. First, that funding from partners falls and is not sufficient to meet the added needs related to capacity building. The biggest risk identified at the onset of the present crisis is that a few supporting countries would start to reduce their support. Most of these have established multi-year funding arrangements and are setting up new and, in most cases, more generous funding arrangements. Others are still not providing support at the recommended amount. The decline in the global economy and falling commodity prices could make company funding more vulnerable but strenuous efforts on the part of the Secretariat and consistent support from industry partners have mitigated this risk. The Board will need to monitor the revenue closely and advise on how to deal with any potential shortfalls. The Secretariat will address this risk through adjusting expenditures in line with available revenue. The risk of a shortfall on total revenue is assessed as low to medium.

Secondly, that the value of the dollar falls. The dollar has been volatile in the past year. As most of the contributions to the budget are made in US dollars and more than half of the spending (including staff costs) are made in NOK, the weaker the dollar the lower the contribution in NOK terms. If the rate drops in 2020, the budget would be squeezed.

The Board might, of course, wish to undertake other activities in the course of 2021 that are not foreseen in this budget. The Secretariat will spell out the cost implications of any new activities in papers to committees.

Annex A - EITI International Secretariat organogram



Annex B - Key Performance Indicators (KPIs)

This annex presents a number of indicators following the International Secretariat's commitment to continually track a set of key performance indicators – KPIs – that allow continued assessment of the “value for money” provided by the Secretariat, as well as opportunities to learn from experience and to further improve the delivery, planning, and allocation of resources. It also aims to identify and demonstrate the outcomes in terms of Validation results obtained through the EITI implementation. These KPIs are the result of a review¹⁵ in 2017. In 2018, the Board adopted the revisions to the EITI key performance indicators (KPIs)¹⁶.

The EITI's key performance indicators (KPI) are rooted in the organisation's theory of change (**Figure 3**) and measure the effectiveness of the EITI's international management¹⁷: on the International Secretariat and Board level, on implementing country¹⁸ level and on the global level.

1. **Secretariat's effectiveness indicators** monitor value for money. These can be directly linked to the International Secretariat's and EITI Board's activity: input and output in relationship to the allocation of budget and staff time. **Outcome indicators** indicate the number of countries with increasingly transparent systems. Through implementation support and training (inputs, see above), the Secretariat supports countries to have engaged stakeholders (requirement 1), meet the disclosure requirements (requirements 2-6) and disseminate the findings of EITI reporting (requirement 7). The success in meeting the EITI Standard's requirements is measured through Validation. The outcome indicators list the number of countries that achieved “**satisfactory progress**” or “**beyond**” overall, and by sub-Requirement.

The level of transparency can partly be attributed to EITI implementation. Other factors, such as political commitment as well as work by other development partners contribute to country performance. See **Tables 10 – 13, Country-level indicators**.

2. **Impact indicators**, or “big picture” indicators, measure the direction of travel of EITI countries in indexes that measure quality governance. Although not attributable to any single organisation (not least, to the EITI International Management), selected proxy indicators in areas such as investment climate, human capital spending, corruption, poverty are all relevant to goals sought by the EITI. If the EITI is doing its job well, countries should score better every year on those selected indexes. See Table 13.

The year 2020 **Secretariat's effectiveness indicators** show a shift back to “implementation mode” after the year of the Global Conference (2019), which had bound a significant share of personal and budgetary resources. Compared to 2018 (since that year is not skewed by the Conference costs), we see **three** significant shifts in cost allocation: a **decrease in share of budget** on implementing country support, training and Validation (-3%, -5% and -4% respectively) and an

15 The previous KPIs date from July 2010: <https://eiti.org/document/eiti-process-outcome-indicators>

16 See Board decision 2018-30/BM-40, <https://eiti.org/BD/2018-30>

17 The EITI Board and International Secretariat make up the EITI international management

18 For a list of implementing countries, see eiti.org/countries

increase in share of budget on communications (+3%) as well as management and administration spending (+6%).

The trend in lower costs for, broadly speaking, country support and Validation can best be explained by **the total halt in physical missions as of March 2020 as the result of the spreading COVID-19 pandemic**. Thus, costs associated with traveling for implementation outreach and Validation, and for sponsored training events, drove down the % in allocation of budget in 2020, to date (up to Q3).

The International Secretariat changed its approach and carried on arranging planned missions **virtually**. Hence the **% of staff time** for implementation support, training and Validation **stayed largely the same compared to 2018**. In fact, 2020 has been very active in terms of the number of stakeholder meetings held, both with implementing and supporting country stakeholders, as well as company representatives (corporate engagement).

To illustrate, planned missions to PNG and Myanmar were turned into consultations with partners (Myanmar, PNG), and civil society (Myanmar), as well as calls with the MSGs, national coordinators and Independent Administrators, over a period of two to five months. Validation consultations (in person for first Validations and more challenging second and third Validations) were held virtually, at times with over 50 calls with stakeholders per Validation.

Corporate engagement continued to be a focus area. The Secretariat's presence at Mining Indaba in February 2020 also combined outreach to South Africa. Presence at the PDAC convention in March in Canada was linked with engagement with international partners.

On events, the Secretariat carried out the first-ever virtual Board meeting in June. The share of present Board members was a record high (95%). The Secretariat also held its "Transparency Matters" event virtually for the first time, attracting 160 online participants. Attendance at subsequent webinar events further increased.

Due to a shift to carrying out trainings and meetings virtually, the Secretariat managed a **solid level of Secretariat output**. The low figure in missions to outreach and implementing countries is of course explained through the halt in travel. In the absence of a Board agreed definition of virtual missions these mission-like undertakings are not fully captured by these figures (with the exception of one, where the mission was already planned and carried out almost 1:1 virtually). Trainings are reflected in inputs as part of the percentage budget share and staff time allocation. The **Board's activity did not slow down**. By end of August 2020, 60 board decisions were taken, covering policy decisions, admitting new members and Validation decisions. **The Secretariat spends a significant portion of its time and resources supporting the Board and its Committees**, as mandated by the Articles of Association.

In terms of **outcome indicators**, the **EITI has now measured progress in 46 of 53 countries** (up from 43). Up to end of November, 17 decisions on Validation were taken by the Board. Many of those were second Validations (countries being re-validated). One more country has been found to have made satisfactory progress, and one more to have achieved meaningful progress.

Table 10. The expectation is that the high level of virtual capacity building provided this year will eventually be reflected in even better Validation outcomes. Clearly the Secretariat's influence on the country outcome level is much lower than on Secretariat outputs. **Other events such as global health crises, commodity prices and political context strongly influence a country's progress in transparency and accountability in the oil, gas and mining sector.**

Those factors also influence the big picture indicators, and of course in a much more significant way than EITI implementation. Hence the big picture indicators are not very indicative.

For the EITI to have an impact on big picture indicators, and on the adaptation of countries to the new reality of shrinking income and increasing costs, the Board has introduced more flexibility in reporting, to make reporting a part of managing the changing environment, tying EITI implementation to national objectives and results-tailored work plans. The Board's decision to introduce the systematic disclosure pilot in February 2020 is also expected to reinforce the focus on analysis and impact. The Board is expected to review how the EITI can have impact in 2020.

Table 3: International Secretariat Management – Input and activities indicators

| Category | Input and activity indicators | 2020, Q1-Q2 | 2019 | 2018 |
|--|--|-------------|------|------|
| Training and Support to implementing countries | Budget allocation (% of total), implementation support | 27% | 20% | 30% |
| | % of staff time, implementation support | 31% | 38% | 34% |
| | Budget allocation (% of total), training | 3% | 3% | 8% |
| | % of staff time, training | 5% | 3% | 5% |
| Outreach | Budget allocation (% of total) | 1% | 2% | 1% |
| | % of staff time | 2% | 2% | 1% |
| Board and Chair support | Budget allocation (% of total) | 17% | 13% | 17% |
| | % of staff time | 9% | 9% | 6% |
| Stakeholder relations | Budget allocation (% of total) | 4% | 3% | 3% |
| | % of staff time | 4% | 6% | 4% |
| Global Conference | Budget allocation (% of total) | - | 20% | - |
| | % of staff time | - | 7% | - |
| Communications | Budget allocation (% of total) | 11% | 9% | 8% |
| | % of staff time | 14% | 12% | 17% |
| Validation | Budget allocation (% of total) | 14% | 14% | 18% |
| | % of staff time allocated | 21% | 16% | 24% |
| Management and administration | Budget allocation (% of total) | 22% | 16% | 16% |
| | % of staff time allocated | 15% | 9% | 8% |

Figure 1: Expenditure allocations by function per year, 2018-2020 (from input and activities indicators)

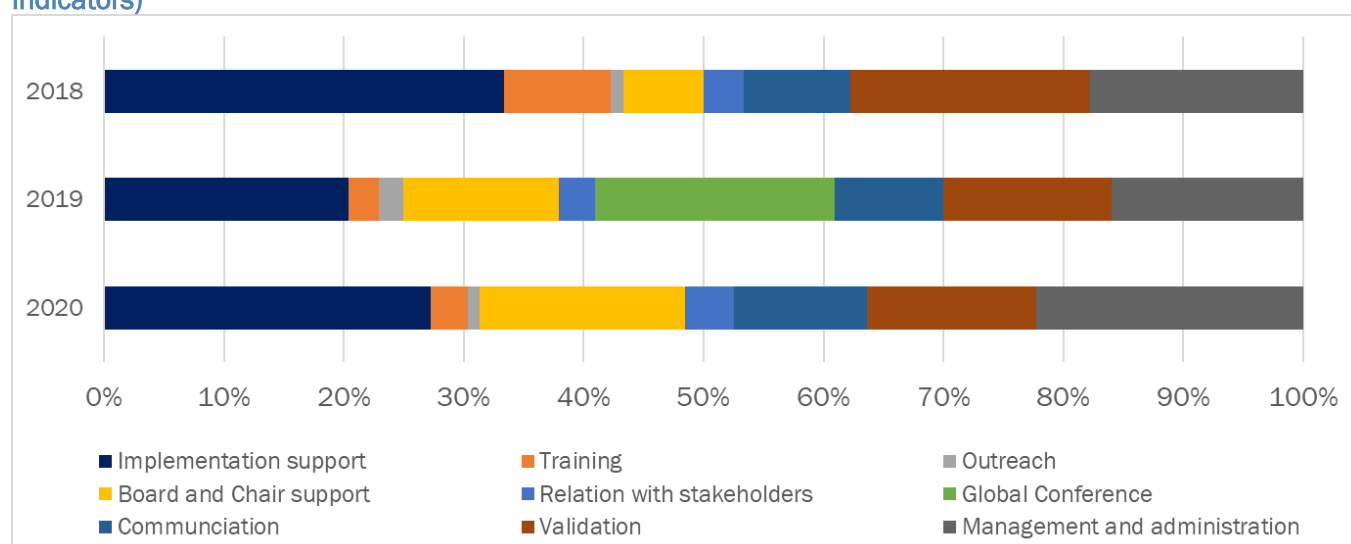


Table 4: International Secretariat Management - output indicators

| Category | Output indicators | 2020 | 2019 | 2018 |
|--|--|---|------------------------------------|------------------------------------|
| EITI International Management | | Financial data (Jan-Jun), all figures in USD | Financial data, all figures in USD | Financial data, all figures in USD |
| | - | Indicators (Jan-Aug) | Indicators | Indicators |
| Training and Support to implementing countries | National Secretariats Circulars issued | 3 | 8 | 6 |
| | Missions to implementing countries | 9* | 36 | 58 |
| | Fiscal years covered by EITI Reports | 488 | 457 | 397 |
| | Fiscal years covered by EITI Summary data | 442 | 416 | 358 |
| - | - | * Missions were carried out from January to March. Mid-March all travel was suspended due to the COVID-19 pandemic. | | |
| Outreach | Missions to outreach countries | 2* | 6 | 6 |
| - | - | * the mission planned to Equatorial Guinea was carried out online. | | |
| Board and Chair support | Board meetings held | 2 | 4 | 3 |
| | Participants in Board meetings (incl. observers) | 261 | 475 | 366 |
| | Board decisions made (incl. by circular) | 60 | 78 | 68 |
| | Board papers submitted | 24 | 30 | 44 |

| Category | Output indicators | 2020 | 2019 | 2018 |
|-------------------------------|---|--|--|------------------------------------|
| EITI International Management | | Financial data (Jan-Jun), all figures in USD | Financial data, all figures in USD | Financial data, all figures in USD |
| | - | Indicators (Jan-Aug) | Indicators | Indicators |
| - | Committee meetings held | 52 | 59 | 46 |
| - | Committee papers submitted | 108 | 154 | 121 |
| Stakeholder relation | Number of supporting companies | 67 | 64 | 61 |
| | Financial contributions from supporting companies | 1,248,514 | 2,340,908 | 1,828,221 |
| | Number of supporting financial institutions | 3 | 3 | 2 |
| | Financial contributions from financial institutions | - | 30,606 | 29,424 |
| | Number of supporting countries | 15 | 15 | 15 |
| | Financial contributions from supporting countries | 2,886,015 | 4,277,093 | 4,782,607 |
| | Number of implementing countries | 54 | 53 | 51 |
| | Financial contributions from implementing countries | 9,713 | 97,734 | 119,713 |
| Global Conference | Participants broken down by gender and constituency | - | 1118 Female: 422 (38%) Male: 693 (62%) N/A: 3 | - |
| Communications | Mentions in media* (meltwater) | 1,880 | 5,790 | 2,886 |
| | Social media (Facebook, tweeters) items | 222 | 685 | 329 |
| | Original publications by EITI | 7 | 15 | 17 |
| | Sessions on EITI website | 210,000 | 330,000 | 280,541 |
| Validation | Validation decisions | 13 | 22 | 16 |
| | Initial assessments conducted | 6 | 16 | 9 |
| Management and administration | Number of staff broken down by level and by gender | See staff figures sheet | | |
| | Staff hours - overtime divided by nr of staff | | | |
| | Percentage of staff retained | | | |

*Up to 2018: mentions as measured by Factiva (Dow Jones). Since 2019: Meltwater

Table 5: Secretariat staff by level and gender

| Level | 2020 | | | 2019 | | | 2018 | | |
|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | By Level | Female | Male | By Level | Female | Male | By Level | Female | Male |
| Executive Director | 1 | - | 1 | 1 | - | 1 | 1 | - | 1 |
| Deputy Head | 1 | - | 1 | - | - | - | 1 | - | 1 |
| Director | 10 | 6 | 4 | 10 | 4 | 6 | 11 | 3 | 8 |
| Manager | 10 | 6 | 4 | 9 | 7 | 2 | 6 | 5 | 1 |
| Officer | 13 | 11 | 2 | 11 | 9 | 2 | 8 | 7 | 1 |
| Assistant | 2 | 2 | - | 1 | 1 | - | 1 | 1 | - |
| Intern | 1 | 1 | - | 2 | 2 | - | 4 | 1 | 3 |
| TOTAL | 38 | 26 | 12 | 34 | 23 | 11 | 32 | 17 | 15 |

Table 6: Staff retention and figures on working hours

| | Staff Retention | Average staff hours worked beyond normal working hours |
|-------------|-----------------|--|
| 2020 | 94% | 82 |
| 2019 | 73% | 143 |
| 2018 | 90% | 84 |

Table 7: Country-level indicators - outcome level 1- overall performance

| | Indicator | 2020 | 2019 | 2018 |
|---|---|-----------|-----------|-----------|
| | | up to Aug | up to Dec | up to Dec |
| Overall country performance against the EITI Standard | No. of countries with overall assessment: | 46 | 43 | 34 |
| | - Satisfactory progress | 9 | 8 | 5 |
| | - Meaningful progress | 34 | 33 | 24 |
| | - Inadequate progress | 3 | 2 | 5 |
| | - No progress | 0 | 0 | 0 |
| | - Yet to be assessed | 8 | 9 | 22 |
| | Member countries | 54 | 52 | 51 |

Figure 2: Share of countries with overall satisfactory progress, 2017-2020

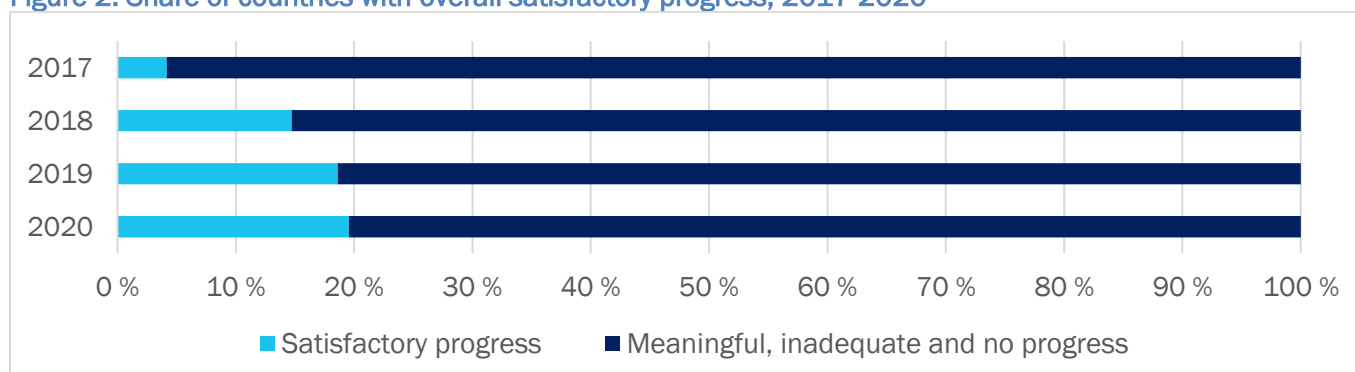


Table 8: country level indicators - outcome level 1 - process

| National process indicators | | 2020 | 2019 | 2018 |
|--|--------------------------------|-----------|-----------|-----------|
| | SF or Beyond on requirement: | up to Aug | up to Dec | up to Dec |
| Countries with fully* engaged governments | 1.1 - Government engagement | 41 | 37 | 27 |
| Countries with fully engaged company stakeholders | 1.2 - Industry engagement | 37 | 33 | 27 |
| Countries with fully and freely engaged civil society | 1.3 - Civil society engagement | 34 | 31 | 22 |
| Countries with fully functional platforms for implementing the EITI Standard | 1.4 - MSG governance | 23 | 20 | 10 |
| | 1.5 - Work plan | 33 | 29 | 17 |

* fully referring to reaching “satisfactory progress” or “beyond”

Table 9: Country-level indicators - outcome level 2, disclosures

| Transparency indicators | SF or Beyond on requirement: | 2020 | 2019 | 2018 |
|--|-------------------------------------|-----------|-----------|-----------|
| | | up to Aug | up to Dec | up to Dec |
| Countries with transparent legal and fiscal frameworks commensurate | 2.1 - Legal framework | 46 | 43 | 31 |
| Countries with transparent licensing systems | 2.2 - License allocations | 19 | 18 | 12 |
| | 2.3 - License register | 25 | 21 | 12 |
| Countries with clear policies on contract disclosure | 2.4 - Policy on contract disclosure | 37 | 33 | 21 |
| Countries with full disclosure of the state’s participation in extractive sectors | 2.6 - State participation | 15 | 14 | 7 |
| Countries with information on exploration activities | 3.1 - Exploration data | 46 | 43 | 33 |
| Countries with full disclosure of production and exports | 3.2 - Production data | 30 | 27 | 18 |
| | 3.3 - Export data | 46 | 32 | 25 |
| Countries disclosing comprehensive revenue-data in accordance with the EITI Standard | 4.1 - Comprehensiveness | 27 | 24 | 19 |
| Countries disclosing in-kind revenues | 4.2 - In-kind revenues | 8 | 8 | 7 |

| Transparency indicators | SF or Beyond on requirement: | 2020 | 2019 | 2018 |
|--|-------------------------------------|-----------|-----------|-----------|
| | | up to Aug | up to Dec | up to Dec |
| Countries disclosing information on infrastructure and barter arrangements | 4.3 - Barter agreements | 3 | 3 | 1 |
| Countries disclosing transport revenues | 4.4 - Transportation revenues | 14 | 12 | 6 |
| Countries disclosing state-owned enterprises' transactions | 4.5 - SOE transactions | 20 | 18 | 14 |
| Countries disclosing subnational payments | 4.6 - Direct subnational payments | 10 | 9 | 7 |
| Countries with sufficient disaggregation of data | 4.7 - Disaggregation | 40 | 39 | 29 |
| Countries with timely data | 4.8 - Data timeliness | 46 | 43 | 33 |
| Countries with comprehensive assessment of data quality in accordance with the EITI Standard | 4.9 - Data quality | 24 | 21 | 12 |
| Countries disclosing distribution of revenues | 5.1 - Distribution of revenues | 37 | 32 | 21 |
| Countries disclosing subnational transfers | 5.2 - Subnational transfers | 15 | 13 | 7 |
| Countries disclosing social expenditures | 6.1 - Mandatory social expenditures | 15 | 15 | 10 |
| Countries disclosing quasi-fiscal expenditures | 6.2 - SOE quasi-fiscal expenditures | 3 | 2 | 0 |
| Countries disclosing macroeconomic data | 6.3 - Economic contribution | 46 | 34 | 22 |
| Number of transparency requirements that are mainstreamed * | | 78 | 71 | 56 |

(1) Fully mainstreamed requirements would be assessed as 'beyond' in Validation. There may also be other reasons for such Validation results other than mainstreaming. Nonetheless the indicator is the most systematic form of measurement available.

Table 10: Country-level indicators - outcome level 2, impact

| National level impact indicators | SF or Beyond on requirement: | 2020 | 2019 | 2018 |
|--|---|-----------|-----------|-----------|
| | | up to Aug | up to Dec | up to Dec |
| Countries that ensure EITI data is comprehensible, promoted, publicly accessible and contributes to public debate. | 7.1 - Public debate | 34 | 30 | 22 |
| Countries that follow up on recommendations | 7.3 - Follow up on recommendations | 38 | 34 | 22 |
| Countries that actively assesses outcomes and impact in accordance with the EITI Standard | 7.4 - Outcomes and impact of implementation | 26 | 23 | 13 |

Table 11: Big picture indicators

| Category | Indicator | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|---|--------|--------|--------|--------|--------|
| <i>Comparison to previous year - - direction of travel of EITI countries</i> | | | | | | |
| Growth, poverty reduction | Human Development Index (HDI) score ⁽¹⁾ | TBA* | 0.633 | 0.623 | 0.620 | 0.616 |
| | HDI (w/o Very High Human Development countries) ⁽²⁾ | TBA | 0.598 | 0.596 | 0.593 | 0.590 |
| | World Average HDI | TBA | 0.731 | 0.728 | 0.726 | 0.722 |
| * TBA stands for "to be announced" | | | | | | |
| Investment climate | WEF Global Competitiveness Index score ⁽³⁾ | 3.821 | 3.774 | 3.970 | 3.944 | 3.905 |
| | World Bank's Doing Business index EITI ⁽⁴⁾ | 57.119 | 56.726 | 55.973 | 55.668 | 56.342 |
| | World Bank's Doing Business Index World | 62.689 | 60.566 | 60.789 | 60.472 | 61.091 |
| | Net FDI (% of GDP) EITI | 2.821 | 3.222 | 5.381 | 4.987 | 6.374 |
| | Net FDI (% of GDP) World | 1.618 | 2.326 | 2.443 | 3.119 | 3.124 |
| Governance | Freedom house EITI ⁽⁵⁾ | 55.385 | 55.396 | 55.392 | 55.462 | 55.154 |
| | Freedom house World | 57.325 | 57.622 | 58.193 | 58.865 | 59.192 |
| | Transparency International Corruption Perceptions Index score EITI ⁽⁶⁾ | 36.094 | 35.943 | 35.941 | 35.372 | 35.423 |
| | Transparency International Corruption Perceptions Index Score World | 43.005 | 43.116 | 43.072 | 42.949 | 42.595 |
| | World Governance Indicator: Control of Corruption EITI ⁽⁷⁾ | TBA | 34.516 | 34.37 | 34.24 | 34.04 |
| | World Governance Indicator: Control of Corruption World | TBA | 50.02 | 50.02 | 50.02 | 50.02 |
| | World Governance Indicator: Voice and Accountability EITI | TBA | 43.145 | 42.89 | 43.05 | 42.19 |

| Category | Indicator | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|--|------|--------|--------|-------|-------|
| <i>Comparison to previous year - - direction of travel of EITI countries</i> | | | | | | |
| | Word Governance Indicator: Voice and Accountability World | TBA | 50.02 | 50.02 | 50.02 | 50.01 |
| | Word Governance Indicator: Political Stability and Absence of Violence EITI | TBA | 32.300 | 32.32 | 32.69 | 32.92 |
| | Word Governance Indicator: Political Stability and Absence of Violence World | TBA | 50.02 | 50.02 | 50.04 | 50.04 |
| | NRGI Resource Governance Index EITI ⁽⁸⁾ | N/A | N/A | 49.529 | | |
| | NRGI Resource Governance Index average (81 countries) | N/A | N/A | 48 | n/a | n/a |

Footnotes:

(1) Average score of all implementing countries (from 0 to 1, 1 being best). For 2019, the index will be made available in September 2020

(2) Very High Human Development countries are Norway, Netherlands, Germany, United Kingdom. Kazakhstan entered the category in 2017 and Argentina became a member country in 2019

(3) *Scale went from 1-7 to 1-100 between 2017 and 2018. The figures were therefore adjusted to be comparable with previous years. The original average score was 53,920 in 2018, and 54,590 in 2019 The World Economic Forum (WEF) Global Competitiveness survey does not include following EITI countries: Afghanistan, Central African Republic, Iraq, Papua New Guinea, Madagascar, Guyana, Republic of the Congo, Sao Tome and Principe, Suriname, Timor-Leste, Togo.

(4) Scale went from 1-7 to 1-100 between 2017 and 2018. The figures were therefore adjusted to be comparable with previous years. The original average score was 53,920. Highest ranked are the US with 85,6 and lowest ranked is Yemen, with 35,5 (2018).

(5) Scale ranges from 0 to 100, 100 being best. Lowest is 30,93, highest is 86,53.

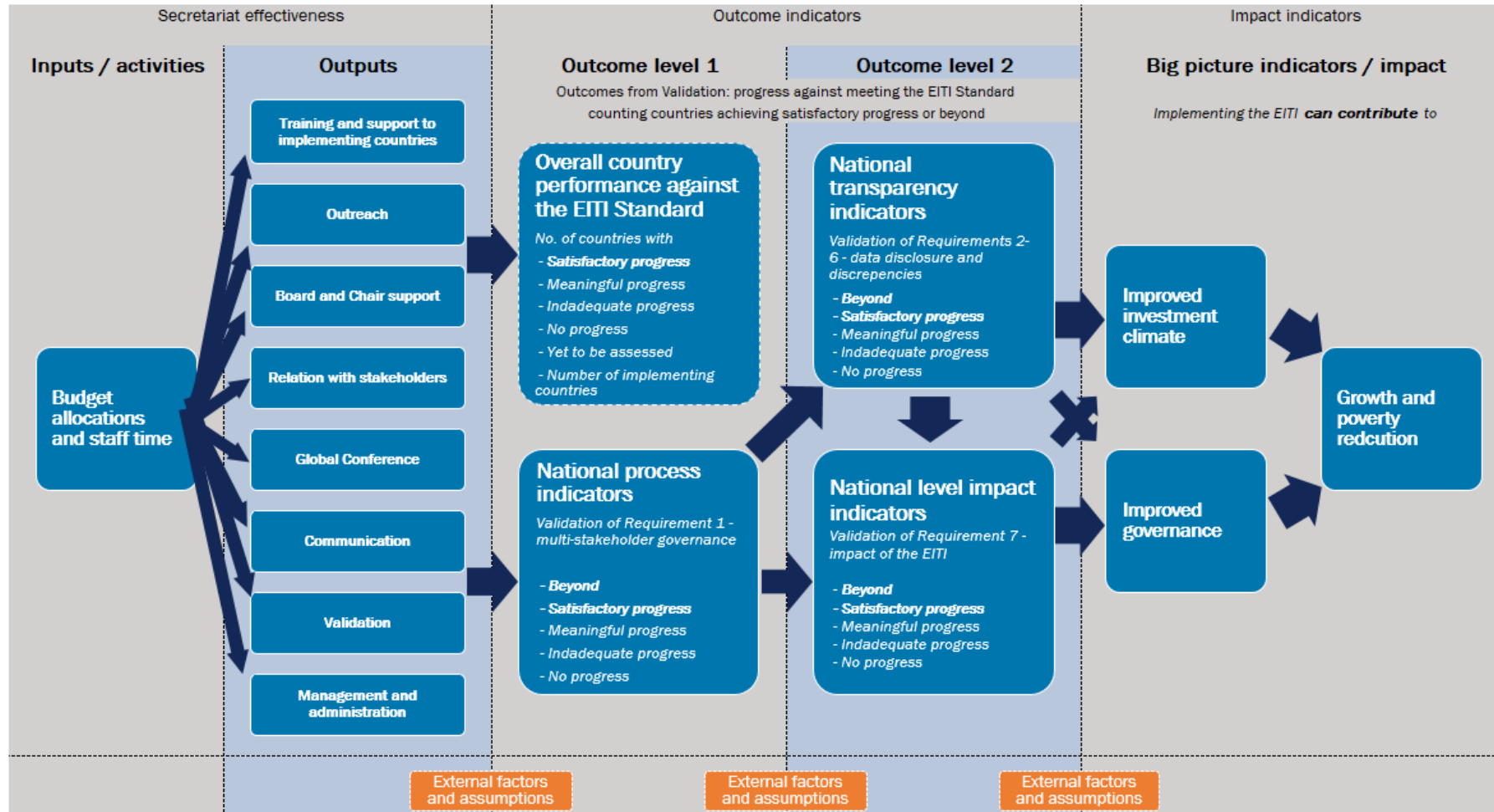
(6) Scale ranges from 0 to 100, lowest being Syria with 0, and highest being Norway with 100 (2018).

(7) From 0 to 100, 100 being best. Highest ranked was New Zealand with 89, and lowest ranked was Somalia with 9.

(8) Percentile rank among all countries (ranges from 0 (lowest) to 100 (highest) rank).

(9) From 0 to 100, 100 being best. Not to be compared with the 2013 Index, due to methodology and scope discrepancies.

Figure 3: EITI Theory of Change



EITI International Secretariat

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Annex C - Summary of action items and budget allocation, work plan 2021

2. Support to the EITI Chair and Board

- 1 Organise at least three Board meetings.
- 2 Facilitate and document regular committee meetings and ensure a smooth flow of work between the committees and the Board.
- 3 Ensure proper onboarding of new Board members.
- 4 Document Board decisions in French and English online.
- 5 Begin preparations for the 2022 EITI Conference.

Budget allocation – Support to the EITI Chair and Board

The budget for Board support is USD 0.883m, including costs to support the chair and Board committees.

3. Supporting implementing countries

- 6 Support MSGs and national secretariats to meet the EITI Standard and make it as relevant and effective as possible.
- 7 Support countries with analysing the findings and implementing the recommendations from EITI Reports and Validation, including addressing corrective actions from Validation through implementation, and the adoption of a revised Validation procedure.
- 8 Develop and execute a training strategy for implementing countries to ensure a systematic approach to capacity building for national stakeholders that addresses their priorities.
- 9 Update the implementers portal (eiti.org/guide) in view of the changes to the Standard as part of the EITI website containing all guidance notes, examples and templates, as well as links to partners' materials, in four languages Send the National Secretariat Circular in four languages.
- 10 Monitor progress in EITI implementation and coordinate support with partners and technical assistance providers. Identify linkages with other efforts promoting good governance and sharing good practice, including IMF, OECD and the EU.
- 11 Support Board members representing implementing countries through consultations in advance of Board and committee meetings.

Budget allocation – Support to implementing countries

It is foreseen that USD 3.5m of the budget is spent on support to implementing countries. This cost includes USD 1.9m in direct day-to-day support, 1.1m in project subgrant as part of the Opening extractive programme and USD 0.4m in capacity building activities of stakeholders. In terms of understanding the full support given to a country, it is important to also consider the Validation cost as much of the work involves significant technical work that supports implementation. Direct support to implementing countries will account for approximately 37% of staff time.

3.5. Validation

12 Carry out Validations in accordance with the revised Validation schedule and procedures established by the Board in accordance with the new Validation model.

13 Support the EITI Board in any further revisions to the new Validation model, including updates to the Validation Guide, procedure and data collection templates.

Budget allocation – Support to implementing countries – Validation

It is foreseen that USD 1.24m of the budget (of which USD 0.9m are allocated staff costs) is spent on Validation. Validation will account for approximately 18% of staff time.

3.6. Outreach

14 Support outreach efforts in accordance with the EITI's 2020-2021 Outreach Strategy.

15 Conduct outreach to companies, including oil and gas and mining companies, financial institutions, commodity traders and SOEs, concerning support for the EITI and furtherance of the supporting company expectations and core EITI policy areas.

Budget allocation – Support to implementing countries – Outreach and Stakeholder Relations

It is foreseen that USD 0.3m of the budget is spent on outreach, assuming reduced travel in 2021. Outreach will account for 2% of staff time.

4.1 Advancing systematic disclosure and open data

16 Support multi-stakeholder groups to consider options for systematic disclosure through systematic disclosure analysis, feasibility studies and wider stakeholder engagement.

17 Continue piloting alternative approaches to EITI Reporting that safeguard timely, comprehensive and reliable disclosures in accordance with the 2019 EITI Standard.

18 Support MSGs, national secretariats and independent administrators (IAs) in summary data collection, linked to preparation of documentation for Validation.

4.2 Anti-corruption and domestic resource mobilisation

19 Support MSGs, national secretariats and independent administrators (IAs) in summary data collection, linked to preparation of documentation for Validation.

20 Organise workshops with partners aimed at strengthening multi-stakeholder governance to fight corruption and facilitate dialogues between MSGs and anti-corruption bodies in countries.

21 Support selected countries in evaluating the impact of EITI on their country's anti-corruption agenda in the extractive sector

4.3 Energy transition

22 Organise webinars for MSGs to building capacity of MSGs to engage in informed debate on the economic impact of the energy transition.

23 Support country-level analysis on issues related to the energy transition in a select number of countries where there is interest and demand, to build a use case for EITI data in the energy transition.

24 Consult and engage with the industry and institutional investor constituencies on how the energy transition may affect extractives transparency.

4.4 Improving multi-stakeholder governance

25 Support MSGs in aligning the EITI with national objectives and encourage data analysis and meaningful recommendations.

26 Support MSGs in identifying solutions to address governance challenges related to COVID-19

- 27 Follow-up on the Board's recommendations with regards to governance challenges in implementing countries. This includes compiling and sharing good practices of stakeholder oversight of natural resource governance beyond the multi-stakeholder group and updating and distributing relevant guidance notes on multi-stakeholder oversight

4.4 Monitoring and evaluation

- 28 Update the implementers portal (eiti.org/guide) in view of the changes to the Standard as part of the EITI website containing all guidance notes, examples and templates, as well as links to partners' materials, in four languages Send the National Secretariat Circular in four languages.
- 29 Lead on the development of a country sensitive MEL framework and strengthen work plan design support.
- 30 Support a consultant in the execution of an independent evaluation of the EITI's impact.

Budget allocation – Monitoring and Evaluation

An independent evaluation is expected to cost USD 300-400,000.

Policy priorities

4.6 Beneficial ownership disclosure

- 31 Launch the joint technical assistance programme with Open Ownership. Through the programme, provide targeted support to countries by giving legal and technical guidance based on demand, as well as facilitating exchanges between implementing countries.
- 32 Continue working with key partners such as Open Government Partnership, Open Ownership, Directorio Legislativo, NREGI, World Economic Forum, Tax Justice Network and Transparency International with broader efforts to improve ownership transparency globally.
- 33 Engage with companies and the 'Big Four' accounting firms on their BO transparency commitments and co-organise the London BO Forum in 2021.

4.7 Contract transparency

- 34 Revise, publish and disseminate new guidance on contract transparency, conduct capacity building activities with national stakeholders and provide technical support to countries that are undergoing legal reforms.
- 35 Mobilise further government support and commitment to contract transparency through the contract transparency network.
- 36 Follow-up with companies that commitments on contract transparency made at the global level, so that these are translated at the national level.

4.8 Revenue collection and tax policies

- 37 Support implementing countries in identifying and addressing revenue loss risks in the extractive sector through financial modelling and facilitate peer learning on using EITI data to help inform debates on revenue collection and tax policy.
- 38 Develop monitoring tools for countries' progress on project-level reporting.
- 39 Engaging with companies to promote the benefits of fiscal transparency and to highlight and share best practices.

4.9 Engagement with state-owned enterprises

- 40 Develop guidance for SOEs, MSGs and national stakeholders on the case for and use of disclosures for improving transparency. This guidance will link to ongoing discussions on the impact of COVID-19 and the energy transition on the extractive industries and the role of SOEs.
- 41 Provide targeted support to a minimum of three SOEs on systematic disclosures with the aim of mainstreaming transparency in SOE reporting.
- 42 Provide targeted support to MSGs in the analysis of SOEs disclosure to foster understanding and dialogue on SOE governance at a national level.
- 43 In collaboration with SOE champions and partners, conduct a virtual or day in person workshop aimed at developing peer networks among SOEs and sharing feedback on EITI implementation.

4.10 Commodity trading transparency

- 44 Oversee, with the working group on commodity trading transparency, the implementation of the targeted effort on commodity trading, including providing support and guidance to existing and new countries joining the effort, finalise guidance on resource-backed loans, undertake an analysis of the disclosures to date, and investigate the opportunity to leverage emerging technologies to improve commodity trading transparency.
- 45 Outreach to buying companies, upstream companies with trading desks and trading hubs on the implementation of the reporting guidelines for buying companies.
- 46 Contribute to shaping global policy on commodity trading transparency and complementary efforts by other organisations such as the OECD

4.11 Gender

- 47 Provide support and guidance to countries in implementing provisions of the Standard on gender, including disseminating the guidance notes and documenting best practice and impact stories.
- 48 Facilitate dialogue between stakeholders including women's organisations and networks to share experience on implementing requirements related to gender and build capacity at the country-level.
- 49 Develop guidance on environmental reporting as well as highlight and disseminate innovative ways of environmental reporting and further investigate possible linkages to other existing reporting and ESG mechanisms.

4.12 Local governance

- 50 Raise financial support to document the impact of EITI implementation at the subnational level and improve assistance to implementing countries on subnational reporting, multi-stakeholder dialogue and stakeholder engagement at the local level.
- 51 In collaboration with partners, identify opportunities for systematic disclosures by companies, central governments and local governments and building capacity on analysis and communication of data by local actors.

5. Communications

- 52 Produce and distribute regular content (news items, newsletters, audio-visuals, opinion editorials, social media updates) and deliver key products for EITI-led events.
- 53 Produce a 2021 EITI Progress Report that documents how the EITI leads to change in countries, including the findings from implementation and thematic issues.

-
- 54 Upgrade the EITI website to increase accessibility to information on the EITI, EITI data and guidance on the EITI Standard.
-
- 55 Support countries in their communications strategies.

Budget allocation – Communications

The total anticipated spend in 2021 is USD 1.14m, including an estimate for website development costs of up to USD 4000k. Communications and data will account for approximately 14% of staff time.

6. Management and administration**6.1 Management of the Secretariat**

- 56 Recruit two dedicated staff to manage and deliver large-scale project on beneficial ownership transparency.
-
- 57 Roll out the staff training plan to strengthen internal capacity and core skills.

Budget allocation – Management of the Secretariat

It is foreseen that USD 1.45m of the budget is spent on management and administration. Management and administration will account for approximately 9% of staff time.

Annex D - Summary of planned allocation of staff time for 2021

Table 12: Overview of allocation of staff time

| # | | Direct & indirect support to countries | | | | Support to Board & countries | | | Support to Board | | Admin | Total |
|----|--|--|------------|-------------|-------------------|------------------------------|--------------------------------|-------------------|------------------|-----------------|----------------------|-------------|
| | | Support Impl.tries | Outreach | Validation | Capacity building | Communication and data | Stakeholder rel./int. advocacy | Global Conference | Board support | Chair's support | Management and Admin | % |
| 1 | Senior Management | 20 | 5 | 3 | 2 | 5 | 15 | 5 | 25 | 5 | 15 | 100 |
| 2 | Senior Management | 50 | 5 | 10 | 5 | 0 | 5 | 5 | 5 | 5 | 10 | 100 |
| 3 | Senior Management | 20 | 5 | 40 | 10 | 0 | 0 | 0 | 20 | 0 | 5 | 100 |
| 4 | Senior Management | 0 | 0 | 0 | 5 | 80 | 0 | 5 | 0 | 0 | 10 | 100 |
| 5 | Senior Management | 50 | 0 | 5 | 5 | 0 | 5 | 5 | 20 | 0 | 10 | 100 |
| 6 | Senior Management | 50 | 0 | 10 | 10 | 5 | 10 | 0 | 5 | 0 | 10 | 100 |
| 7 | Director | 30 | 0 | 70 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| 8 | Director | 50 | 0 | 45 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| 9 | Director | 30 | 20 | 0 | 0 | 0 | 40 | 0 | 10 | 0 | 0 | 100 |
| 10 | Director | 30 | 0 | 60 | 0 | 0 | 0 | 0 | 10 | 0 | 0 | 100 |
| 11 | Director | 50 | 5 | 20 | 15 | 0 | 5 | 0 | 5 | 0 | 0 | 100 |
| 12 | Director | 50 | 10 | 30 | 10 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| 13 | Manager | 60 | 5 | 20 | 5 | 0 | 10 | 0 | 0 | 0 | 0 | 100 |
| 14 | Manager | 10 | 0 | 10 | 5 | 60 | 5 | 0 | 5 | 0 | 5 | 100 |
| 15 | Manager | 25 | 0 | 20 | 0 | 50 | 5 | 0 | 0 | 0 | 0 | 100 |
| 16 | Manager | 50 | 0 | 40 | 5 | 0 | 0 | 0 | 5 | 0 | 0 | 100 |
| 17 | Manager | 0 | 0 | 0 | 0 | 0 | 15 | 0 | 40 | 5 | 40 | 100 |
| 18 | Manager | 10 | 0 | 0 | 55 | 0 | 0 | 0 | 20 | 0 | 15 | 100 |
| 19 | Manager | 70 | 5 | 20 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| 20 | Manager | 70 | 0 | 30 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| 21 | Manager | 0 | 0 | 0 | 25 | 5 | 0 | 0 | 5 | 0 | 65 | 100 |
| 22 | Manager | 50 | 0 | 15 | 5 | 0 | 10 | 0 | 20 | 0 | 0 | 100 |
| 23 | Manager | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20 | 20 | 60 | 100 |
| 24 | Officer | 45 | 0 | 50 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| 25 | Officer | 75 | 0 | 0 | 5 | 0 | 0 | 0 | 10 | 0 | 10 | 100 |
| 26 | Officer | 50 | 0 | 30 | 10 | 0 | 10 | 0 | 0 | 0 | 0 | 100 |
| 27 | Officer | 0 | 0 | 0 | 0 | 90 | 10 | 0 | 0 | 0 | 0 | 100 |
| 28 | Officer | 90 | 0 | 0 | 5 | 5 | 0 | 0 | 0 | 0 | 0 | 100 |
| 29 | Officer | 60 | 0 | 5 | 5 | 0 | 10 | 0 | 20 | 0 | 0 | 100 |
| 30 | Officer | 75 | 0 | 0 | 5 | 0 | 0 | 0 | 10 | 0 | 10 | 100 |
| 31 | Officer | 15 | 0 | 20 | 0 | 60 | 5 | 0 | 0 | 0 | 0 | 100 |
| 32 | Officer | 0 | 0 | 0 | 0 | 90 | 10 | 0 | 0 | 0 | 0 | 100 |
| 33 | Officer | 25 | 0 | 35 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 60 |
| 34 | Officer | 60 | 0 | 30 | 5 | 0 | 0 | 0 | 5 | 0 | 0 | 100 |
| 35 | Officer | 70 | 0 | 15 | 5 | 5 | 0 | 0 | 0 | 0 | 5 | 100 |
| 36 | Officer | 0 | 0 | 0 | 5 | 5 | 0 | 0 | 10 | 10 | 70 | 100 |
| 37 | Officer | 25 | 0 | 25 | 0 | 25 | 0 | 0 | 25 | 0 | 0 | 100 |
| 38 | Officer | 25 | 0 | 25 | 0 | 25 | 0 | 0 | 25 | 0 | 0 | 100 |
| | Cumulative headcount per function | 13,9 | 0,6 | 6,83 | 2,22 | 5,1 | 1,7 | 0,2 | 3,2 | 0,45 | 3,4 | 37,6 |
| | Percentage per function | 37 % | 2 % | 18 % | 6 % | 14 % | 5 % | 1 % | 9 % | 1 % | 9 % | 100 % |

Annex E - Summary and status of action items work plan 2020

Or: *Completed*, *Ongoing*, *Not yet started*, *Abandoned*

| 1. Supporting the EITI Board and its Committees | | Status |
|---|--|-----------|
| 1 | Organise at least three Board meetings. | Completed |
| 2 | Facilitate and document regular committee meetings and ensure a smooth flow of work between the committees and the Board. | Completed |
| 3 | Document Board decisions in French and English online. | Completed |
| Budget allocation – Support to the EITI Board The budget for Board support is USD 0.9m (including 6% of staff cost). Costs to support the chair amount to USD 0.2m in the budget. It is expected that support to the Board and Chair will equate to 7% of total staff time (weighted with salary). | | |
| 2. Supporting implementing countries | | |
| 4 | Support MSGs and national secretariats to meet the EITI Standard and make it as relevant and effective as possible. This is done by highlighting opportunities for systematic disclosure of EITI reporting through government and company system. Further by reviewing terms of reference (ToRs) for Independent Administrators, scoping studies, reporting templates, draft and final EITI Reports, work plans, documentation on governance of MSGs. Support countries with analysing the findings and implementing the recommendations from EITI Reports and Validation, including addressing corrective actions from Validation through implementation. | Completed |
| 5 | Develop and execute a training strategy for implementing countries to ensure a systematic approach to capacity building for national stakeholders that addresses their priorities. | Ongoing |
| 6 | Update the implementers portal (eiti.org/guide) in view of the changes to the Standard as part of the EITI website containing all guidance notes, examples and templates, as well as links to partners' materials, in four languages. Send the National Secretariat Circular in four languages. | Ongoing |
| 7 | Monitor progress in EITI implementation and coordinate support with partners and technical assistance providers. Identify linkages with other efforts promoting good governance and sharing good practice. | Completed |
| 8 | Support Board members representing implementing countries. | Completed |
| Budget allocation – Support to implementing countries It is foreseen that USD 1.9m of the budget (of which USD 1.1m are allocated staff costs) is spent on support to implementing countries. In terms of understanding the full support given to a country, this should be read alongside Validation costs as much of that work involves significant technical support. It is expected that support to implementing countries will equate to around 30% of | | |

total staff time (weighted with salary) and training a further 5%. Thus, almost half of all staff time is spent on support to implementing countries.

2.6. Validation

- | | | |
|----|--|-----------|
| 9 | Carry out Validations in accordance with the Validation schedule and procedures established by the Board. | Completed |
| 10 | Procure and fund a consultant to act a Validator in 2020 in accordance with the Validation procedures. | Completed |
| 11 | Support the EITI Board in undertaking a review of the Validation model, including updates to the Validation Guide and procedure. | Ongoing |

Budget allocation – Support to implementing countries – Validation

It is foreseen that USD 1.2 m of the budget (of which USD 0.9m are allocated staff costs) is spent on Validation. It is expected that Validation will equate to around 24% of total staff time (weighted with salary).

2.7. Outreach

Status Q3
2020

- | | | |
|----|---|-----------|
| 12 | Support outreach efforts in accordance with the EITI's 2020-2021 Outreach Strategy. | Completed |
| 13 | Conduct outreach to companies, including oil and gas and mining companies, financial institutions, commodity traders and SOEs, concerning support for the EITI and furtherance of the supporting company expectations and core EITI policy areas. | Ongoing |

Budget allocation – Support to implementing countries – Outreach

It is foreseen that USD 0.2m of the budget is spent on outreach. It is expected that outreach will equate to around 4% of total staff time (weighted with salary).

3. Improving disclosures across policy areas

3.1.1 Beneficial ownership disclosure

- | | | |
|----|--|-----------|
| 14 | Support the EITI Board to oversee the implementation of the beneficial ownership requirements by providing support and guidance to implementing countries. | Completed |
| 15 | Provide targeted support to countries by giving legal and technical guidance based on demand and facilitate exchanges among implementing countries on how to implement policy reforms related to beneficial ownership transparency, and how to verify the quality of the data. | Ongoing |
| 16 | Continue working with key partners such as Open Government Partnership, Open Ownership, NRG1 and Transparency International with broader efforts to improve ownership transparency globally. | Ongoing |
| 17 | Undertake research on good practices and impact of beneficial ownership transparency and publish communication materials to increase awareness on beneficial ownership globally. | Completed |

Budget allocation – Improving disclosures – Beneficial ownership disclosure

It is foreseen that USD 0.5m, of which USD 0.2m are allocated to staff costs, is used to support implementation of beneficial ownership disclosures.

3.1.2 Contract transparency

- | | | |
|----|--|-----------|
| 18 | Revise and publish a new guidance to address issues related to contract transparency to help countries in meeting the requirements by 2021. Conduct capacity building activities with national stakeholders to increase understanding of the benefits of and approaches contract transparency as well as use of contractual information. | Ongoing |
| 19 | Mobilise further government support and commitment to contract transparency through the contract transparency network. Use this network to share experiences, address barriers, and undergo consultations to inform the EITI's policy on contract transparency. | Ongoing |
| 20 | Follow-up with companies that commitments on contract transparency made at the global level, so that these are translated at the national level. | Completed |

Budget allocation – Improving disclosures – Contract transparency

It is foreseen that USD 0.1m (of which half are allocated to staff costs) is used on contract transparency.

3.1.3 Engagement with state-owned enterprises

- | | | |
|----|---|-----------|
| 21 | Provide targeted support to implementing countries and state-owned enterprises, facilitate peer exchanges through the network of state-owned enterprise and encourage mainstreaming of SOE disclosures and strengthened SOE reporting. | Ongoing |
| 22 | Develop and update guidance on SOE transparency to reflect changes to the 2019 Standard and emerging good practice. Collaborate with key partners in providing capacity building to multi-stakeholder groups and stakeholders in implementing countries in analysis and use of SOE disclosures. | Completed |
| 23 | Conduct outreach to and engage with SOEs concerning support for the EITI and furtherance of SOE transparency. | Ongoing |

Budget allocation – Improving disclosures – Engagement with state-owned enterprises

It is foreseen that USD 0.1m of the implementation and training budgets (of which half are allocated staff costs) is spent on engagement with state-owned enterprises.

3.1.4 Commodity trading transparency

- | | | |
|----|---|---------|
| 24 | Oversee, with the working group on commodity trading, the implementation of the targeted effort on commodity trading, including providing support and guidance to existing and new countries joining the effort. | Ongoing |
| 25 | Undertake an analysis of the disclosures to date, focussing on the results and findings of the reports and how the data can be used and analysed by stakeholders. | Ongoing |
| 26 | Outreach to buying companies, upstream companies with trading desks and trading hubs, in collaboration with key partners. The Secretariat will develop reporting guidelines for buying companies and work with industry champions to mobilise transparency of payments to governments for purchases of oil, gas and | Ongoing |

| | | |
|--|--|-----------|
| | minerals from resource-rich countries. | |
| 27 | Contribute to shaping global policy on commodity trading transparency and complementary efforts by other organisations such as the OECD. | Ongoing |
| Budget allocation – Improving disclosures – Commodity trading transparency It is foreseen that USD 0.4m (of which USD 0.2m are allocated staff costs) is used on Commodity trading transparency. | | |
| 3.1.5 Revenue collection and tax policies | | |
| 28 | Strengthen engagement with partners working on domestic resource mobilisation to ensure information sharing. | Ongoing |
| 29 | Based on demand, provide support to implementing countries in identifying and addressing revenue loss risks in the extractive sector, develop guidance and facilitate peer learning on using EITI data and complementary tool to help inform debates on revenue collection and tax policy. | Ongoing |
| Budget allocation – Improving disclosures – Revenue collection and tax policies It is foreseen that USD 0.1m (of which half are allocated staff costs) is used on Revenue collection and tax policies. | | |
| 3.1.6 Subnational contributions | | |
| 30 | Document the impact of EITI implementation at the subnational level and improve guidance to implementing countries on subnational reporting and multi-stakeholder dialogue at the local level. | Ongoing |
| 31 | In collaboration with partners identify opportunities for systematic disclosures by companies, central governments and local governments and building capacity on analysis and communication of data by local actors. | Completed |
| Budget allocation – Improving disclosures – Subnational reporting It is foreseen that USD 0.1m (of which half are allocated staff costs) is used on subnational reporting. | | |
| 3.2.1 Advancing systematic disclosure and open data | | |
| 32 | Improve the Secretariat's guidance on systematic disclosure, open data and how to analyse data. | Completed |
| 33 | Support multi-stakeholder groups to consider options for systematic disclosure through systematic disclosure analysis, feasibility studies and wider stakeholder engagement. | Ongoing |
| 34 | Support implementing countries' work on open data in accordance with the EITI's open data policies, with a focus on low-cost solutions that reinforce the trend toward systematic disclosure. | Ongoing |
| 35 | Engage with working groups on e-governance and open data to collect best practice and improve guidance to countries. | Completed |
| 36 | Support MSG and independent administrators (IAs) in summary data submissions, feasibility studies and wider stakeholder engagement. | Ongoing |
| Budget allocation – Improving disclosures – Systematic disclosure and open data | | |

| | | |
|--|--|-----------|
| It is foreseen that USD 0.5m (of which USD 0.3m are allocated to staff costs) is used on systematic disclosure and open data. | | |
| 3.2. 2 Publishing EITI's data in open format, support on summary data 2.0 | | |
| 37 | Develop guidance and training materials for the adoption of the new template. Provide training to implementing countries and Independent Administrators on how to use the template. | Completed |
| 38 | Improve collection and publication of project-level data at the national and international level through introduction of the new Summary data template 2.0 | Completed |
| 39 | Adjust the import of data and display of data through the API to enable the import of summary data 2.0. | Completed |
| 40 | Engage multilateral partners, such as United Nations and multilateral development banks, OECD and others to ensure improved dissemination of EITI data through existing and recognised databases and outlets. | Ongoing |
| Budget allocation – Improving disclosures – Summary data 2.0 | | |
| It is foreseen that USD 0.2m of the budget (of which 70% are allocated staff costs) is spent on publishing EITI's data in open format and support on summary data 2.0. | | |
| 3.2.3 Improving multi-stakeholder performance and governance | | |
| 41 | Support MSGs in aligning the EITI with national objectives and encourage data analysis and meaningful recommendations. | Ongoing |
| 42 | Follow-up on the Board's recommendations with regards to governance challenges in implementing countries, including compile and share good practices of stakeholder oversight of natural resource governance beyond the multi-stakeholder group, and update and distribute relevant guidance notes on multi-stakeholder oversight. | Ongoing |
| Budget allocation – Improving disclosures – MSG Governance | | |
| It is foreseen that USD 50,000 (of which all are allocated to staff costs) is used on MSG Governance. | | |
| 3.2.4 Gender | | |
| 43 | Provide support and guidance to countries in implementing provisions of the Standard on gender and encouraging innovative reporting and inclusive activities led by MSGs. Document case studies demonstrating how the EITI has had an impact on gender equality. | Completed |
| 44 | Facilitate dialogue between stakeholders including women's organisations and networks to share experience on implementing requirements related to gender. | Ongoing |
| Budget allocation – Improving disclosures – Gender | | |
| It is foreseen that USD 0.1m (of which half are allocated staff costs) is used on gender. | | |
| 3.3.1 Artisanal and small-scale mining | | |
| 45 | Subject to demand and funding, continue to provide support to countries with ASM challenges, including providing guidance on reporting on production and export data, and explore opportunities for piloting ASM disclosures in EITI countries that have agreed ASM-related objectives in their EITI work plans. This will include | Ongoing |

priority countries such as the DRC and Myanmar.

- | | | |
|----|--|-----------|
| 46 | Contribute to ongoing global discussions led by partners such as the OECD regarding addressing ASM data gaps and strengthening global frameworks for ensuring responsible sourcing of minerals. This includes pursuing the collaboration with OECD's efforts on responsible sourcing of minerals and providing input to the LME's due diligence framework. | Completed |
|----|--|-----------|

Budget allocation – Improving disclosures – ASM

It is foreseen that USD 50,000 (of which all are allocated staff costs) is used on ASM.

3.3.2 2 Environment and energy transition

- | | | |
|----|---|---------|
| 47 | Develop guidance on environmental reporting as well as highlight and disseminate innovative ways of environmental reporting and further investigate possible linkages to other existing reporting mechanisms such as the Global Reporting Initiative (GRI) framework. | Ongoing |
|----|---|---------|

- | | | |
|----|--|-----------|
| 48 | Prepare a brief on how the EITI contributes to policy discussions on the implications of the energy transition on extractive sector governance and accountability. This could be undertaken in coordination with partners such as Chatham House. | Completed |
|----|--|-----------|

Budget allocation – Improving disclosures – Environment and energy transition

It is foreseen that USD 50,000 (of which all are allocated to staff costs) is used on Environment and energy transition.

4. Strengthening communications and stakeholder relation

- | | | |
|----|---|-----------|
| 49 | Produce and distribute regular content (news items, newsletters, audio-visuals, opinion editorials, social media updates) and deliver key products for EITI-led events. | Completed |
|----|---|-----------|

- | | | |
|----|---|-----------|
| 50 | Produce a 2020 EITI Progress Report that documents how the EITI leads to change in countries, including the findings from implementation and thematic issues. | Completed |
|----|---|-----------|

- | | | |
|----|--|-----------|
| 51 | Increase user-accessibility to the EITI summary data on the EITI's data portal. Continue to improve and disseminate the EITI's application program interface (API) to the investment and data communities. | Completed |
|----|--|-----------|

- | | | |
|----|---|---------|
| 52 | Support countries in their communications strategies. | Ongoing |
|----|---|---------|

- | | | |
|----|--|---------|
| 53 | Profile and communicate the benefits of upholding the EITI company expectations among the constituency of supporting companies to solidify commitment to the EITI's Principles and work. Showcase company leadership in promoting transparency, facilitate peer learning and help disseminate information on company declarations and actions in support of disclosures. | Ongoing |
|----|--|---------|

Budget allocation – Communications

It is foreseen that USD 0.7m of the budget (of which USD 0.5m are allocated staff costs) is spent on communications. It is expected that communications will equate to around 14% of total staff time (weighted with salary).

In addition, it is foreseen that USD 0.25m of the budget (of which USD 0.2m are allocated costs) is spent on stakeholder relations and advocacy. It is expected that stakeholder relations and advocacy will equate to around 5% of total staff time

(weighted with salary).

5. Finance and management

5.1 Management of the Secretariat

- | | | |
|----|---|-----------|
| 54 | Recruit new staff members, with an expected increase of two to three, whilst continuing to provide assistance to existing staff to deliver on their objectives. | Completed |
| 55 | Assess performance of staff following procedures outlined in the staff manual. | Ongoing |

Budget allocation – Management of the Secretariat

It is foreseen that USD 1.0m of the budget (of which USD 0.4m are allocated staff costs or 11% of staff time) is spent on management and administration of the Secretariat.

5.1 Monitoring and evaluation

- | | | |
|----|---|-----------|
| 56 | Report to the Board on its own performance through implementation, outreach and finance reporting regularly submitted to the Board. | Completed |
| 57 | Explore with the Board options for directing the EITI's work towards more impact on improving extractives governance. | Ongoing |

Budget allocation – Monitoring and evaluation

It is foreseen that USD 0.03m of the budget is spent on impact work.

Annex F – Main achievements in 2020

The Secretariat provides a brief overview of the main achievements of 2020 below. Country ownership continued to be a key focus of implementation in 2020. An EITI survey showed that about 72% of the implementation cost of the EITI globally is funded by implementing countries. In early 2020, the Secretariat published the 2020 Progress Report. The Report highlights case studies in 11 countries where EITI implementation and reporting have spurred reforms, strengthened institutions and improved sector accountability. This includes the changes advocated by the Nigeria EITI to the Companies and Allied Management Act assented to by President Muhammadu Buhari in August 2020. This paves the way for beneficial ownership disclosure, not just for the extractive sector but across the board for Nigerian companies. A further 10 countries are highlighted with shorter examples of innovation in EITI implementation and reporting. In Iraq, the EITI has led to the publication of financial statements for 14 state-owned enterprises which account for most of the country's oil production.

During 2020, the International Secretariat continued key implementation and outreach efforts in the midst of the COVID-19 global pandemic. Ecuador, Niger and Uganda joined the EITI in 2020, bringing the number of EITI implementing countries to 55. The Secretariat has been active in its company outreach. Nearly 70 companies currently support the EITI and the number continues to grow with new company supporters such as Alcoa Corporation and Petronor and SOEs such as NNPC in 2020. The COVID-19 crisis led the EITI Board to introduce greater flexibility in EITI reporting, enabling countries to focus on disclosing data that is most relevant to stakeholders. The Secretariat has responded to urgent needs for technical assistance through the use of local and international consultants in countries such as the Democratic Republic of Congo. The Secretariat has deepened capacity building virtually during the crisis through webinars and the new Transparency Matters series.

Partnerships with organisations such as Open Government Partnership, the Ford Foundation, the OECD and USAID were strengthened, leading to opportunities to present at each other's events and deepening implementation support on thematic areas such as beneficial ownership, sub-national transparency and SOE transparency. Beneficial ownership requirements entered into force on 1 January 2020 and the International Secretariat has provided support to implementing countries in understanding the requirement and its evaluation during Validation. The award of a USD 7.2m grant from the BHP Foundation will deepen our work on beneficial ownership transparency, in collaboration with Open Ownership. This grant will be jointly managed by the International Secretariat and our partner Open Ownership over a period of five years.

From January to December 2020, the Secretariat has facilitated 54 Committee and working group meetings, two Board meetings (with a fourth to be held in Q4) and has sent 15 circulars on behalf of the EITI Chair. To date, the Board has taken 60 decisions. The 46th EITI Board meeting and EITI Oslo Week gathered more than 200 stakeholders to discuss the EITI's role in addressing corruption, energy transition and measuring impact. The Board held its 47th EITI meeting virtually for the first time and successfully followed the same format for the 48th meeting with very high levels of Board attendance.

To date in 2020, the Board has assessed eighteen Validation cases, of which 3 countries were

validated for the first time. Some of these cases have been contentious, especially where the findings suggest that the country should be suspended. This work, also from the previous years, has also raised a number of clarifications and strengthening of the requirements of the Standard, ensuring that the EITI's Validation model supports implementation of the EITI Standard, including in leading transparency work and contributing to informing public decision-making, preventing corruption and improving tax collection. The Secretariat has supported the development of a revised Validation model over the course of 2020 that will place more focus on the role of multi-stakeholder groups and on embedding EITI disclosures into existing government and company reporting systems.