

# EITI Progress Report 2009

**EITI International Secretariat** Oslo, 26 January 2010

Dear EITI stakeholders,

This report provides an account of the EITI International Secretariat's activities in 2009. The biennial EITI Progress Report is published in time for the Global EITI Conferences, with the next Progress Report, 2009-2010, being published ahead of the Global Conference in 2011. EITI highlights from 2009 and that the Secretariat have contributed towards include:

- ◆ The Global EITI Conference in Doha had over 500 participants from 80 different countries, including Heads of State, CEOs, and civil society leaders. This event marked a progression of the initiative into a global standard for the governance of the extractive industries.
- ◆ Azerbaijan and Liberia became the first two EITI Compliant countries.
- ◆ In 2009 six new countries became EITI Candidate countries: Albania, Burkina Faso, Mozambique, Norway, Tanzania and Zambia. As a result, 30 countries are currently implementing the EITI.
- ◆ Several other countries declared their intention to implement the EITI including Afghanistan, Ethiopia, Indonesia, Iraq and Ukraine.
- ◆ Several new publications, including the EITI Progress Report, EITI Rule Book, EITI Communications Guide, EITI Parliamentary Guide, Advancing the EITI in the Mining Sector, Good Practice Notes, an EITI Video, and EITI Case Studies, were launched in 2009. Many of these have been translated to one or more languages.
- ◆ A total of 19 Validation seminars and EITI workshops were held in EITI implementing countries during the year.
- ◆ Of the 22 countries facing a Validation deadline in March 2010, two are now EITI Compliant, 15 have initiated the Validation process by end 2009 and one voluntarily suspended their Candidacy. The two countries with deadlines later in 2010 have also initiated Validation.

The International Secretariat would like to thank all EITI stakeholders for their hard work in 2009 and the invaluable contribution they have made in ensuring the progress we have seen in countries implementing the EITI. We look forward to meeting the challenges the EITI will face in the coming year with the help and support of our dedicated stakeholders and remain committed to furthering the principles of transparency, cooperation and consensus building upon which the EITI was created.

Jonas Moberg  
Head of the EITI Secretariat

# EITI Implementation activities

The EITI International Secretariat's first priority is to work to **strengthen EITI implementation** and effectiveness in the 30 Candidate countries, of which 22 have Validation deadlines in March 2010. Much of this is carried out through close collaboration with host governments and national multi-stakeholder groups, as well as with various organisations, in particular the World Bank, that are providing political, technical or financial support to EITI programmes.

Implementing countries require support and technical assistance as they work their way through the implementation process. The Regional Directors at the International Secretariat communicate on a daily basis with implementing countries and EITI partners, providing guidance on EITI requirements, coordinating and participating in technical assistance delivery, and collecting and sharing best practices.

Technical and organisational support from the International Secretariat augment technical assistance available through a range of channels, including the World Bank-administered Multi Donor Trust Fund, and technical assistance projects administered by regional development banks, bilateral development agencies and non-

governmental organisations. During the course of 2009, 12 countries published an EITI Report: Azerbaijan (11th report), Central African Republic (1st report), Kazakhstan (2nd report), Kyrgyz Republic (2nd report), Liberia (1st report), Mali (1st report), Mongolia (2nd report), Niger (1st report), Nigeria (2nd report), Peru (1st report), Republic of Congo (1st report) and Timor Leste (1st report). As the deadline for Validation nears there has also been a flurry of activity in implementing countries with the Validation process being launched in 18 countries by year end, including Norway whose deadline is February 2011.

**Country visits.** In 2009 six new countries became EITI Candidate countries, Albania, Burkina Faso, Mozambique, Norway, Tanzania and Zambia, taking the total number of EITI implementing countries to 30—two of which, Azerbaijan and Liberia, are now Compliant. In order to support the in-country process, International Secretariat staff visited 26 of these 30 countries in 2009, meeting with government, company and civil society representatives as well as conducting training and seminars. These visits sought to ensure that the process was understood, deadlines were met, and progress made.



From Regional Director Tim Bittiger's visit to the Central African Republic, November 2009



# EITI Implementation activities

With the majority of the EITI Candidate countries having a Validation deadlines in early 2010, a major focus of the International Secretariat's work in 2009 was to explain the Validation methodology and to assist implementing countries in preparing to undertake this work.

In 2009, the International Secretariat's achievements with regard to Validation included:

- ◆ Engaged with EITI National Coordinators, multi-stakeholder groups and technical assistance providers to increase understanding of the Validation requirements and Validator procurement procedures.
- ◆ Hosted or coordinated training workshops at both the international and national level to increase awareness of the Validation requirements (see below).
- ◆ Advised implementing countries on best practice procurement procedures.
- ◆ Encouraged supporting organisations (e.g., WB-MDTF, Revenue Watch Institute) to promote Validation support in their work.
- ◆ Supported the EITI Board and Validation Committee's deliberations on Validation issues, including detailed reviews of Validation reports from Azerbaijan, Liberia and Mongolia.
- ◆ Published fact sheets and other communication materials, including an updated Validation Guide ("The EITI Rules, including the Validation Guide").
- ◆ Improved the French translations of the Validation Guide.

Two countries, Azerbaijan and Liberia completed Validation in 2009 and were designated EITI Compliant. Several other candidates, including Mongolia, Kazakhstan and Gabon were close to completing the process. By year end, the majority of the Candidate countries with deadlines in 2010 had initiated the Validation process.

**Validation seminars in 2009.** Validation seminars provide an important opportunity for the International Secretariat to inform and explain to national EITI stakeholders how the Validation process works and ensure a proper understanding. In cooperation with EITI partners, 11 Validation seminars were held during the course of the year with participation from nearly all countries needing to complete Validation in 2010. During 2009:

*April.* Validation seminars held in Nigeria, Liberia, Sierra Leone, Ghana.

*May.* Validation seminar held in Peru, as well as a Validation seminar in Berlin that was attended by Niger, Mali, Cote d'Ivoire, Guinea, Madagascar, Burkina Faso, and the prospective countries Togo and Senegal.

*June.* Validation seminars held in Gabon, Cote d'Ivoire, Democratic Republic of Congo, and Timor Leste. In addition a Validation seminar was held in Cameroon that was attended by Central African Republic, Cameroon, Gabon, Equatorial Guinea, Congo, DRC, as well as the prospective country, Chad.

*September.* Validation seminar held in the Kyrgyz Republic.

*December.* Validation seminar held in Ghana, attended by Ghana, Liberia, Nigeria, Sierra Leone, Tanzania, and Zambia.

# EITI Implementation activities

**EITI Workshops in 2009.** The EITI International Secretariat works closely with its partners to provide training and build capacity amongst those preparing to or implementing the EITI. EITI workshops are held in cooperation with our development partners from the World Bank, Inwent, bilateral agencies and international civil society organisations. Workshops can cover specific aspects of EITI implementation such as civil society participation and communicating the EITI. Workshops held in 2009 that involved the International Secretariat include:

- ♦ EITI introduction workshop in Tanzania, June. With participation from Tanzania, Zambia, Mozambique, Ethiopia, Malawi and Uganda;
- ♦ Civil society workshop in Timor Leste, June;
- ♦ Civil society workshop in Albania, September;
- ♦ Communication workshop in the Kyrgyz Republic, September;
- ♦ Civil society workshop in Yemen, October.

**National coordinator meetings.** Global meetings of EITI National Coordinators serve an important function for communication between the International Secretariat and implementing countries. These meetings also provide an opportunity for National Coordinators to exchange information and experiences from their own countries, facilitating sharing of best practices and effective problem solving. Important topics discussed in 2009 included Validation, communications strategies, funding and technical assistance delivery. One National Coordinators meeting was held in Washington DC in May.

Several informal and regional meetings of national coordinators were also held, including a regional meeting in Ghana in December.



EITI workshop in Tanzania, June 2009



## Outreach activities

In addition to its implementation activities, the EITI International Secretariat actively pursues outreach to potential countries that are strategically important for the EITI and engages countries which have declared and interest in implementing the EITI. Often the International Secretariat's outreach activities involve assisting supporting governments, civil society organisations and companies in their outreach efforts through for example the preparations of briefing notes.

Efforts to expand the number of countries implementing the EITI involves meeting with country representatives in Oslo such as diplomats and visiting delegations. A number of meetings took place in Oslo in 2009, including with representatives from Chile, Ecuador, Ghana, the Philippines, South Africa, Tanzania, Turkmenistan, Uganda, Vietnam and Zambia.

Please see detailed outreach activities for selected countries below.

In **Africa**, outreach has largely focussed on a few countries, including Chad, Senegal and South Africa. Outreach work was also conducted with Bolivia, Colombia, the Philippines, South Africa, Senegal and Uganda during 2009.

The International Secretariat initiated a growing group of international "Friends of EITI **Chad**" supporting implementation. Several meetings with government and civil society have taken place since February 2009.

Prospects for **South Africa's** implementation are becoming more positive but will need sustained high-level political dialogue. The International Secretariat worked with local stakeholders throughout 2009 including participating in a high-level seminar in Johannesburg.

In **Ethiopia**, a formal announcement of commitment to the initiative was made by the Minister of Mines, Alemayehu Tegenu, in Doha in February. A launch workshop was held in Ethiopia in July and in August, resulting in an agreed workplan establishing a multi-stakeholder working group. Before deciding on their application, the Board sought more information on the situation in Ethiopia. A Board mission was undertaken in January 2010 and the application will be considered again in 2010.

In **Latin America**, the International Secretariat worked together with partners in reaching out to most countries in the region and to organisations such as the Regional Association of Oil and Natural Gas in Latin America and



EITI Launch Conference in Ethiopia, July 2009



# Outreach activities

the Caribbean and the Latin-American Organization for Energy. The International Secretariat participated in stakeholder dialogues in Bolivia and Colombia. With the support of Inwent, a regional workshop took place in Lima in December 2009 with more than 40 participants from eight countries.

The International Secretariat continued in 2009 together with the UK Department for International Development, the World Bank and the Revenue Watch Institute to give priority to **Indonesia's** preparations to implement the EITI. In 2009 an intergovernmental working group was established to draft a Presidential regulation on EITI, which awaits cabinet approval.

On request, the International Secretariat visited **Papua New Guinea** in October 2009. There is growing support from government, industry and civil society organisations for EITI implementation.

In the **South Pacific** countries such as Solomon Islands and Cook Islands have also announced an interest in implementing the EITI.

**Iraq** maintained its strong commitment to the EITI despite the extremely challenging environment in 2009. The Minister of Oil, Husayn Al-Shahristani, reaffirmed commitment in Doha. There has been intense support to the National Coordinator from the EITI International Secretariat and the World Bank, to help develop the scope of the Iraqi EITI, the work plan, and the multi-stakeholder group modalities.

In **Europe**, Ukraine announced its intention to join the EITI in November 2009.

The International Secretariat met with government, industry and civil society organisations in **Australia** in October. There was broad-based support for further examining the case for EITI implementation in Australia.



Workshop on Improving Transparency in the Extractives Sector in Latin America in Peru, December 2009



# Servicing the EITI Board and the EITI Chair

The EITI International Secretariat works with the Chairman and Board to develop policy, draft papers, prepare agendas, oversee translation of documents and make other practical arrangements for Board meetings.

In the lead up to the Global Conference, the International Secretariat worked on the development and securing of support for the EITI Articles of Association which provide the architecture for the EITI as a legal entity. Following the convening of the new EITI Board in Doha, the International Secretariat worked with Board members in the work of Board committees for Governance, Validation, Rapid Response, Nominations, Finance and Audit. The International Secretariat plays a key role in convening and supporting the deliberations of Board committees and working groups, and ensuring effective communication and information exchange via Board circulars and committee meetings.

The International Secretariat organised four EITI Board meetings in 2009: Doha (two), February; Washington DC, May; and Baku, October. During the course of the year 24 Board circulars were produced and translated and over 20 Board papers were produced for EITI Board meetings. Included in materials produced for the EITI Board the

International Secretariat produced seven confidential country progress reports identifying the main obstacles being faced in individual countries and what actions stakeholders can take to help move the EITI process along. Comprehensive progress reports were produced for Board meetings in May and October, with updated reports produced every two months in the interim periods.

**The EITI Chair.** The International Secretariat has supported Peter Eigen in his Chairmanship by organising meetings with high-level leaders, preparing background notes and speeches, and making travel arrangements. During 2009 the International Secretariat organised 15 trips, meetings and conferences. These included meetings with the Presidents of Sierra Leone, Liberia, and Niger.

The International Secretariat has organised over 50 meetings involving Peter Eigen, with amongst others representatives from companies, government agencies, civil society organisations, as well as interviews with the media. Throughout 2009 the International Secretariat supported Peter Eigen in delivering over 10 lectures at academic institutions.



10<sup>th</sup> Board Meeting in Azerbaijan, October 2009



1<sup>st</sup> EITI Member's Meeting in Doha, February 2009

# Stakeholder relations: Companies

45 of the world's largest oil, gas and mining companies support and actively participate in the EITI process – through their country operations in implementing countries, through international-level commitments, and through industry associations.

The EITI International Secretariat has extensive contact with companies supporting the EITI and with companies considering supporting the EITI. Supporting companies are kept informed of EITI developments through our quarterly newsletter, as well as through direct contact with regional directors and the Head of the International Secretariat.

In an effort to facilitate company support for the EITI in the countries where they operate, a letter was sent to supporting companies, which included a brief summary of EITI progress and challenges in each country where their presence was known. This letter followed an earlier message to companies reminding them of the importance of the Validation process, providing links to all

relevant EITI publications about Validation and urging them to contact the International Secretariat if they wanted to find out more about how they could support the process.

**New supporters.** In January 2009 the mining and steel company, **ArcelorMittal**, became an International-level EITI Supporting Company.

In July 2009 **GDF SUEZ**, and **Santos** brought the total number of supporting companies to 45 extractive companies to become International-level EITI Supporting Companies. GDF SUEZ is major buyer of natural gas and importer of LNG in Europe, and Europe's 5th largest electricity producer. It has exploration and production activities in the EITI implementing countries Norway, Mauritania, Cote d'Ivoire and Azerbaijan. Santos is among Australia's 30 largest companies. It has operations in Bangladesh, Egypt, India, Indonesia, Kyrgyzstan, Papua New Guinea and Vietnam.

## Text from letter to companies:

Companies play a crucial role in implementing the Extractive Industries Transparency Initiative (EITI) in the countries where they operate. In order to make it as easy as possible for companies to support the process, the EITI International Secretariat has compiled some guidance for companies to use. These suggestions focus on simple and practical ways companies can help local EITI Multi-Stakeholder Groups (MSGs) to implement the EITI, based on experiences of valuable company support from across implementing countries. For more details we encourage you to read the EITI Business Guide ([www.eiti.org/document/businessguide](http://www.eiti.org/document/businessguide)).

First, a country needs to undertake a reconciliation report (EITI Report) that reconciles what companies have paid to the government in taxes, royalties, rents and bonuses, with what the government reports having received from companies. Second, there is a Validation process which serves as a quality assurance mechanism, assessing whether a country has successfully implemented the EITI based on a set of standardised indicators (please see Validation Guide for more information at [www.eiti.org/Validation](http://www.eiti.org/Validation)). As the deadline for Validation draws nearer for most EITI implementing countries, the highest priority must be to have the MSGs functioning as effectively as possible. Whether or not they serve on the MSG, companies can play a particularly useful role in this process.

## Practical ways companies can support the EITI process in-country

- ◆ Actively engage in outreach to other companies operating in the country;
- ◆ Provide support for writing the terms of reference for Reconcilers and Validators;
- ◆ Assist Validators in the collation of relevant data in the country;
- ◆ Communications support for writing press releases, creating communications strategies, and dissemination of EITI materials and information;
- ◆ Help address skills gaps within MSGs;
- ◆ Provide industry expertise in training seminars and workshops;
- ◆ Provide accounting expertise on the interpretation of EITI Reports for MSGs;
- ◆ Assist in the preparation of issue papers for MSG meetings;
- ◆ Provide facilities for teleconferences for MSG meetings;
- ◆ Help organise conferences, workshops, etc., with the MSG;
- ◆ Assist in the translation of key documents where necessary;
- ◆ IT and website support for MSG;
- ◆ Capacity building and training for relevant government officials in the ministry responsible for implementing the EITI (Mines, Finance, Oil, Energy, etc.), ensuring they understand the type of information needed for EITI reporting and where to get it.

# Stakeholder relations: Institutional Investors

Institutional investors provided strong support to the EITI in 2009, especially in urging companies not yet supporting the EITI to do so and deepening engagement with existing ones. The expansion of socially responsible investment funds in recent years has continued to boost the role investors are playing in improving governance practices within companies. This has been noted by governments hoping to attract increased quality foreign direct investment to their extractive sectors. In 2007, over 80 institutional investors supporting the EITI had over US\$12trn in assets under management and by early 2009 this figure had grown to an estimated US\$16trn.

The EITI Institutional Investor Group is represented on the EITI International Board by Julie McDowell, Head of SRI, Standard Life Investments, and David Diamond, Co-Head of SRI Development, Allianz Global Investors France.

**Supporting investor activities.** In September 2008, through the EITI International Secretariat, supporting investors sent a letter to over 130 extractives companies telling them about the EITI and in many cases requesting meetings with company representatives. The letter was signed by 23 supporting investors, with 10 offering to take the lead on engagement with specific companies. A summary of these meetings' outcomes was prepared and circulated to the 23 signatories of the letter in October

2009 by the International Secretariat. Efforts by supporting investors for further engagement are ongoing.

The International Secretariat assisted in organising three meetings of the institutional investor constituency group during 2009, taking place in March, September and November. Notes from these meetings were distributed by the International Secretariat when requested by investor Board representative, Julie McDowell.

**New data for investors.** In 2009 the International Secretariat began compiling information to identify the extractives companies operating in all 30 EITI implementing countries. This information is designed to assist investors in targeting companies for investment and outreach. With many of the largest oil, gas and mining companies already supporting the EITI, a particular challenge is to encourage small and medium sized extractive companies also to support the EITI. Investors can play a unique role in this through demonstrating that even smaller companies can benefit from improved governance and transparency standards. Two working matrices have been created for investors showing where EITI Supporting companies are operating and non-supporting companies active in two or more EITI implementing countries.

**Outreach efforts** to institutional investors by the International Secretariat and supporting investors continued apace in 2009. The EITI International Secretariat created a new two-page brochure, "How to Become a Supporting Investor", which outlines the benefits of supporting the EITI and explains the necessary steps to become an official support.

**New Supporting investors.** Two new institutional investors declared their support for the EITI in 2009:

**Fonds de Reseve pour les Retraites (FRR).** The FRR is an original financial instrument that was created to serve France's retirement pension system in 2003. From 2020 FRR will be contributing to pension payments for 18.5m people. At 30 September 2009, FRR's total assets came to €31.9bn.

**Colonial First Global Asset Management.** Colonial First State Global Asset Management is the consolidated asset management division of the Commonwealth Bank of Australia group. Colonial First State Global Asset Management is the largest manager of Australian-sourced funds. At 30 September 2009, Colonial First State Global Asset Management managed more than A\$147bn in total assets.

This increase demonstrates the continuing opportunities for broadening the EITI's institutional investor constituency. There is particular potential for boosting support from Australia-based funds going forward.

# Communications and Research

The EITI International Secretariat has produced several publications in 2009 aimed at informing stakeholders about the EITI process and offering useful guidance on implementation. All publications are available on the EITI website in multiple languages. Publications in 2009 are:

**EITI Progress Report 2007-2009.** This publication outlines progress made in EITI implementation following the EITI Global Conference in Oslo October 2006. It was launched at the EITI Global Conference in Doha February 2009. [www.eiti.org/document/progressreport](http://www.eiti.org/document/progressreport)

**Talking Transparency: A guide for communicating the EITI.** This guide for communicating the EITI is a practical tool for how implementers of the EITI can set up an effective communications programme. It shares best practices from the EITI countries. [www.eiti.org/document/communicationsguide](http://www.eiti.org/document/communicationsguide)

**EITI Guide for Legislators: How elected officials can support and strengthen resource transparency.** This guide explains how parliamentarians can play a role in the implementation of the EITI and in achieving resource revenue transparency. It has been produced by the National Democratic Institution in collaboration with the EITI International Secretariat and the Revenue Watch Institute. [www.eiti.org/document/mpguide](http://www.eiti.org/document/mpguide)

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

**Advancing the EITI in the Mining Sector: A report from consultations with mining stakeholders.** This publication examines the unique challenges of the mining sector which are most relevant to EITI efforts and activities. It is the product of extensive cooperation between the EITI International Secretariat and mining sector stakeholders. [www.eiti.org/document/mining](http://www.eiti.org/document/mining)

**EITI Good Practice Notes.** The EITI International Secretariat publishes a series of 'Good Practice Notes' providing examples of ways countries can improve implementation. The first issue is about how to improve EITI reporting and a second issue looks at Good Practices in the area of communications efforts in implementing countries. [www.eiti.org/document/good-practice-eiti-reporting](http://www.eiti.org/document/good-practice-eiti-reporting)

**Case Study – Liberia.** This case study contains reflections on the contribution of the EITI process to the creation of sustainable development and post-conflict reconciliation in Liberia. <http://eiti.org/document/case-study-liberia>

**Impact of EITI in Africa.** This report presents examples from stakeholders on the ground, which illustrate how the EITI process has generated positive changes in the extractive sectors relating to trust building, governance, economic management, civil society engagement and improved business environment.

**Chinese companies in the Extractive Industries of Gabon & the DRC: Perceptions of Transparency.** This report by the Centre for Chinese Studies at the University of Stellenbosch, South Africa, was commissioned by the EITI International Secretariat. The publication is based on field research conducted in the Democratic Republic of the Congo (DRC) and Gabon in 2008 and 2009. [www.eiti.org/node/1297](http://www.eiti.org/node/1297)

**Overview of EITI Reports.** Since 2003 a total of 25 EITI Reports have been produced by countries implementing the EITI. This paper provides a country by country summary in US dollars of the total revenues reported by companies and governments in the most recently published EITI Reports. Key facts regarding each country's EITI Report such as the largest categories of revenue payments, sectors covered and year of reporting have also been highlighted. [www.eiti.org/node/1133](http://www.eiti.org/node/1133)

**EITI Video: Making Resources Work for people.** The short film was launched at the Doha Conference and can be viewed at [www.eiti.org/eiti/video](http://www.eiti.org/eiti/video)

# Media coverage and the EITI website

**More media coverage.** The EITI saw in 2009 increased coverage in media outlets, both in leading international press as well as in national media. In aggregate there was in 2009 an 31% increase in references to the “Extractive Industries Transparency Initiative” compared to 2008, bringing the total to above 800 original articles (Source: Factiva.com).

This increase can to some extent be explained by the concerted efforts undertaken by the EITI International Secretariat towards journalists and media organisations.

Some highlights from the media coverage in 2009:

- ◆ Peter Eigen was interviewed on the BBC show HARDtalk that was broadcasted November 2009.
- ◆ BBC Radio broadcasted the programme “The Resource Curse” about the EITI in October 2009.
- ◆ There were five op-eds and articles in New York Times, three in Financial Times, and two in The Economist that featured the EITI.
- ◆ Le Monde published three articles featuring the EITI, including a full length interview with Peter Eigen.
- ◆ Industry publications such as Upstream and Oil and Gas Journal have increasingly covered EITI developments, and interviewed Jonas Moberg.

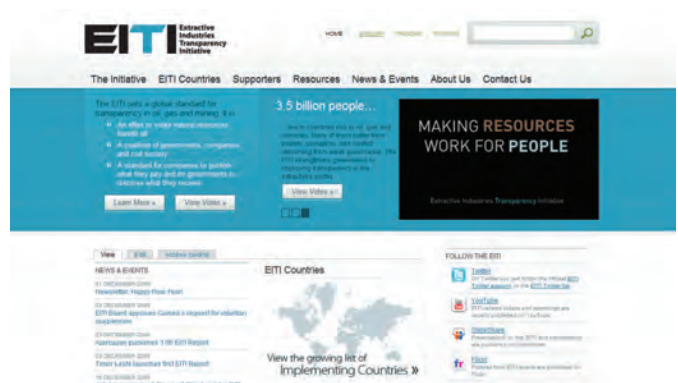
**EITI website.** Keeping stakeholders constantly informed is a key challenge and responsibility of the International Secretariat. The EITI website was launched in November 2007. In May 2009 the site was re-launched with a new design with the web address [www.eiti.org](http://www.eiti.org). The site has seen a 40% increase in users over the last year and now receives an average of 10,000 visitors per month. This highlights the extent to which many people rely on the website for clear information, guidance and news about the EITI. The *Resources* menu leads to a comprehensive list of the EITI’s main publications as well as a research library about revenue transparency and extractive industries. The site is available in English, French and Russian.

**EITI Blog.** The EITI Blog gathers together ideas about the role of transparency and natural resources in creating economic growth and fighting poverty and corruption. The blog is authored by members of the International Secretariat and key stakeholders.

**The EITI Newsletter.** The bimonthly EITI Newsletter has 2,000 email subscribers, up from 1,000 one year ago, who wish to follow developments in the EITI community. The newsletter is produced in English, French and Russian. To sign up to the newsletter, visit [www.eiti.org](http://www.eiti.org)



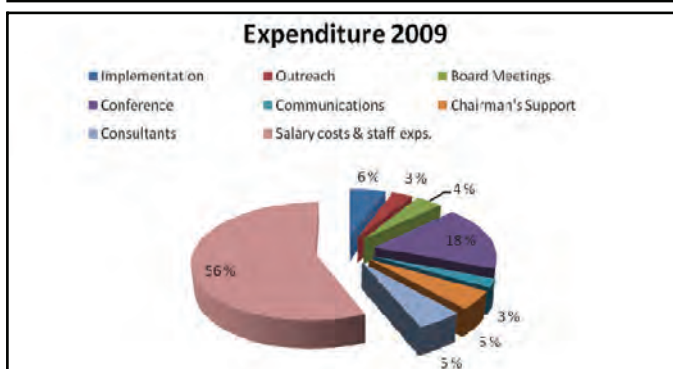
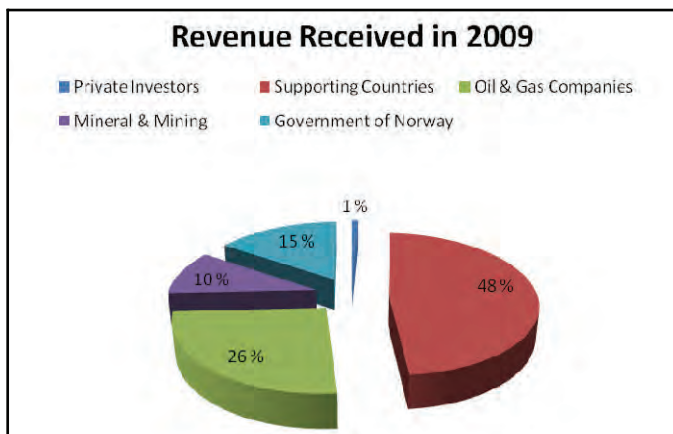
Peter Eigen on BBC HARDtalk 4 November 2009



The front page of the EITI website, [www.eiti.org](http://www.eiti.org)

# EITI Finances (summary)

**EITI International Secretariat Income in 2009.** The International Secretariat received funding from 37 governments, multilateral organisations and companies in 2009; up from 34 in 2008. In 2009 Belgium, the Netherlands and Switzerland joined the group of supporting governments. Funding was again received from all the supporting oil and gas companies, and the International Council on Mining and Metals (ICMM) acted as a funding channel for their members. Santos Ltd., GDF Suez, and ArcelorMittal joined the supporting companies in 2009. Direct contributions were sought from the over 80 signatory investor institutions of the Investor Statement. However, only five provided funding. In 2009, funding received by Secretariat totalled to around US\$3,7 million. The 2009 audited accounts will be presented to the Board in April 2010. Below is chart showing funding received by the EITI in 2009.



**Expenditure in 2009.** The International Secretariat has managed its overall expenses in line with the budget confirmed by the EITI Board in Athens in October 2008. It spent around US\$3,0 million in 2009 against a forecast budget of US\$3,2 million.

In 2009, the EITI Board committee performed a review of the International Secretariat's expenditure. In its final report, the Board Committee recommended that the International Secretariat should make some changes to the budget codes it uses so that the Board can better track expenditures against budget priorities and approved allocations.

The Committee suggested that the International Secretariat should facilitate a process for developing outcome indicators for the work of the International Secretariat.

The Committee concluded that "the International Secretariat has been successful in leading a significant expansion of the EITI".

The chart to the on the left is a summary of EITI expenditure in 2009.

**Staffing and organisation,** in 2009, the International Secretariat had eight full-time staff members, with a conference manager for part of the year and two interns. The International Secretariat was supported by some advisory and consultancy. It wishes in particular to express its gratitude to Jürgen Reitmaier, for his valuable pro-bono support in East Africa, and Mike Wilkinson for his support to the Validation Committee.

The International Secretariat has reported to the Board that it found the resources available adequate in order to fulfil its tasks in 2010.