



**Opening  
Extractives**

Unlocking the benefits  
of ownership data

**Advancing beneficial  
ownership transparency**

# Progress Report

2021/22



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# Message from the EITI and Open Ownership

We are delighted to present this first edition of the Opening Extractives Progress Report. With a design and inception phase undertaken almost entirely during the COVID-19 pandemic, the Opening Extractives programme was publicly launched in September 2021. It has continued to flourish despite challenging conditions and ongoing barriers to in-person engagement.

From the outset, the programme was designed to be responsive to the needs and political conditions in partner countries. It has the flexibility to be adapted to the specific needs of each country and provide tailored technical support for the complex reforms that are required to develop public beneficial ownership registers and mainstream the use of beneficial ownership data.

The case for increasing the publication and use of beneficial ownership information is clear. Knowing the real owners of companies underpins effective taxation systems, supports efficient and fair markets, and helps businesses and governments manage corruption risks more effectively.

In recent months, developments on the global stage have reinforced the importance of beneficial ownership disclosures. It is now widely recognised that they have a

role to play in preventing illicit financial flows and conflicts of interest. Disclosures may also help enforce sanctions regimes and ensure that solutions to the current energy crisis do not present further opportunities for corruption.

Energy transition is a pressing and urgent issue, but meeting increased energy demand without transparency over the ultimate owners and beneficiaries of extractive companies may increase the risk of further corruption or mismanagement of these resources.

This report documents the substantial progress that has been made in supporting beneficial ownership transparency reforms and data use over the last year. We look forward to continuing this work in 2023 and beyond, in conjunction with our partners and funders.

**Mark Robinson**  
*Executive Director EITI*

**Thom Townsend**  
*Executive Director Open Ownership*

# Message from the BHP Foundation

Today, more than one billion people in resource-rich countries live in poverty. That's roughly one in every four people – and should be a global outrage.

The hundreds of billions of dollars in taxes and royalties that extractive industry companies pay to their host governments every year should fund the health, education, infrastructure and other services that lift citizens of resource-rich countries out of poverty.

But in far too many countries it does not, partly because of systemic corruption. Concealment of the ultimate (beneficial) ownership of companies facilitates this form of corruption through which elites and those with corrupt intent capture the natural resource wealth that should be the entitlement of citizens.

The BHP Foundation is therefore proud to fund Opening Extractives as part of our Global Natural Resource Governance Program, through which we work with world-leading NGOs, think-tanks and institutions to improve the governance of natural resources across the entire value chain. Beneficial ownership transparency is a linchpin to improved

governance. Beneficial ownership transparency shines a powerful spotlight on who ultimately owns – and benefits from – extractive industry companies. It strengthens accountability and improves the governance of energy and mining revenues.

This is imperative as the energy transition accelerates and competition for critical minerals increases, with commensurate corruption risks. This is why Opening Extractives is exploring the role of beneficial ownership transparency in the energy transition and considering how information about company ownership can increase accountability in non-renewable and clean energy industries, and in financing for the transition.

I am pleased that Opening Extractives has made great early strides in mobilising political and stakeholder commitment and building the technical capability required to publish and use complex data in 10 resource-rich countries. These reforms are enabling the use of the data by governments, civil society and companies to drive accountability, raise the bar and create a level playing field.

**James Ensor**  
*Chief Executive Officer, BHP Foundation*

**“Beneficial ownership improves business transparency, especially through laws that address various issues in respect to companies.”**

**Jemima Oware**  
*Registrar General, Ghana*



Opening Extractives  
Retreat in Oslo,  
September 2022

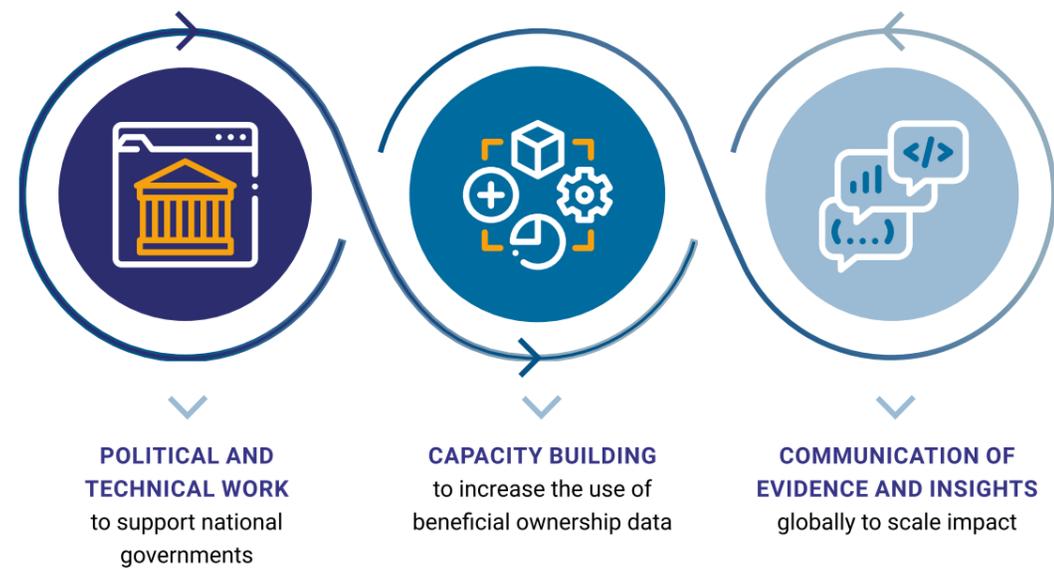


## Disclosure with purpose

# Scope of the Opening Extractives programme

Opening Extractives works with 10 partner countries to transform the availability and use of beneficial ownership information for effective governance in the extractive sector.

The programme combines:



Programme objectives:

1. To ensure government, industry and civil society have greater access to comprehensive and reliable information on the ultimate owners of extractives companies.
2. To improve the capacity of stakeholders to address corruption and mismanagement risks related to hidden ownership.
3. To advance beneficial ownership transparency in the extractive sector and beyond by documenting and communicating the case for greater transparency.

To be effective, beneficial ownership disclosure should follow nine principles

**1** Robust definitions

**2** Comprehensive

**3** Sufficiently detailed

**4** Central register

**5** Publicly accessible

**6** Structured data

**7** Verified

**8** Up to date

**9** Sanctions and enforcement



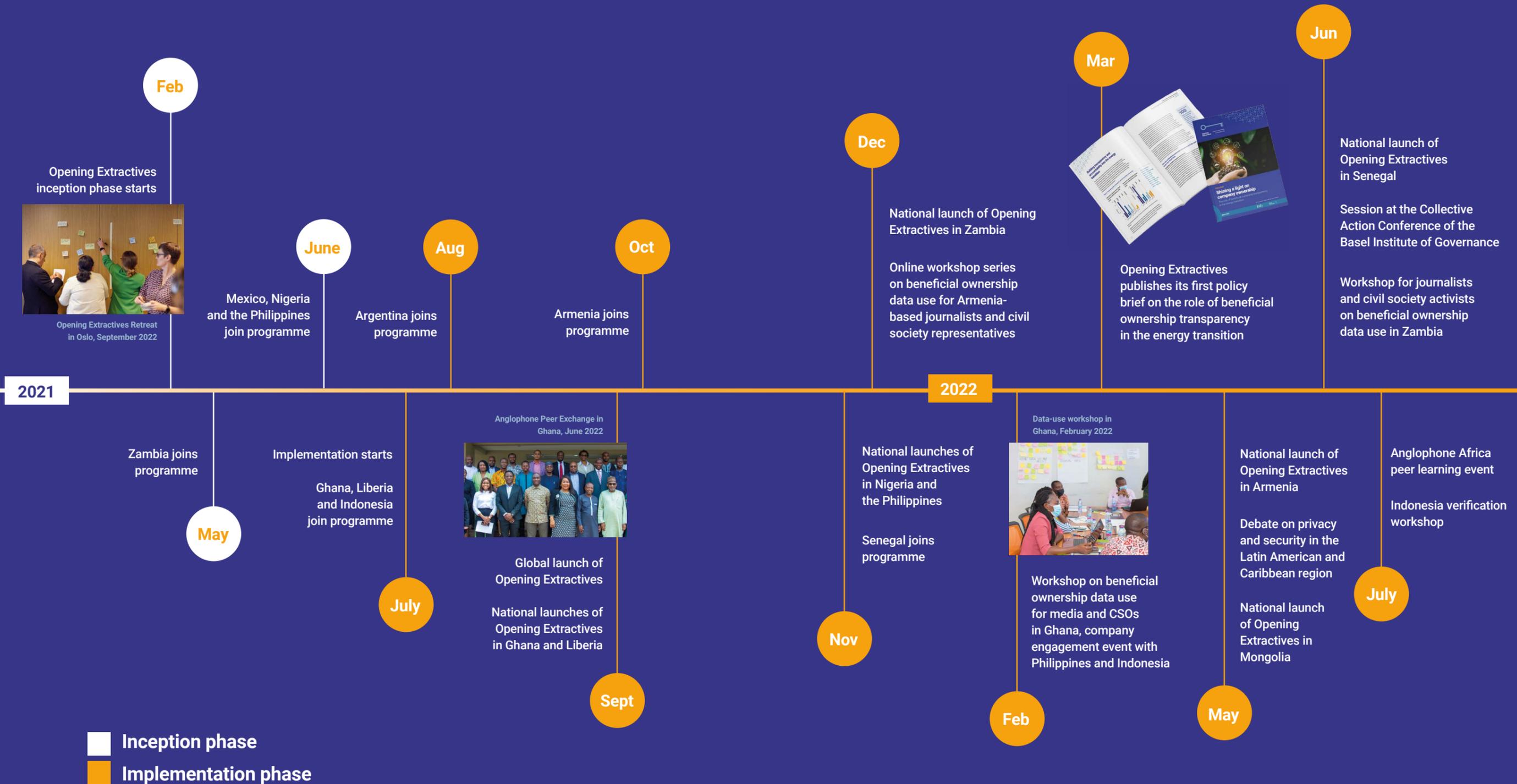
## A year in brief

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# Highlights from the first year of implementation

“The programme will support the government’s anti-corruption agenda and help eliminate corruption by promoting transparency and accountability in the extractive industry.”

Dr Ogbonnaya Orji  
Executive Secretary of Nigeria EITI





## Effective implementation

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# A global programme

Opening Extractives partner countries are located in different regions and are at different stages in their journey towards beneficial ownership transparency.

“Liberia’s participation in the Opening Extractives programme will help to translate high-level beneficial ownership commitments into practice.”

Dr. Samora P.Z. Wolokollie  
*Deputy Finance Minister, Liberia*



# Beneficial ownership in practice

## Argentina

Companies in Argentina need to be registered in each province and some provinces, such as Buenos Aires City, Buenos Aires province, Tierra del Fuego and Cordoba, request beneficial ownership declarations. In April 2020, the Federal Administration of Public Revenues (AFIP) approved a new resolution requiring the registration of the beneficial owners of a wide range of legal entities, including commercial partnerships, associations and investment funds. However, none of this information is publicly available.

A scoping study conducted by the Opening Extractives team highlighted opportunities and suggested modifications to legal requirements at a ministerial level that could advance beneficial ownership transparency in the extractive sector. Opening Extractives shared the main findings of the report with relevant ministries, as well as an analysis of challenges and potential solutions relating to implementation. Work in Argentina is being undertaken in conjunction with the EITI multi-stakeholder group, to support this group's efforts to meet the EITI's requirement on beneficial ownership disclosure in the next phase of adapted implementation of the EITI in Argentina.

## Armenia

Since 2020, Armenia has made strides towards beneficial ownership transparency. All companies applying for, or holding mining rights, are required to submit beneficial ownership information to the State Register of Legal Entities under the Ministry of Justice.

Opening Extractives has been working with local stakeholders to support the Ministry of Justice to take forward Armenia's beneficial ownership implementation and enable civil society to use beneficial ownership data to improve governance of natural resources. This has included integrating the Beneficial Ownership Data Standard to develop mechanisms to verify data, and a series of capacity-building activities for journalists and civil society organisations.

Currently, beneficial ownership data is submitted through an online register hosted by the Ministry of Justice.



Opening Extractives launch in Armenia, May 2022



## Ghana

Beneficial ownership transparency is a high priority for the Ghanaian government. Significant progress has been made, including the launch of a central register in September 2020, as mandated by the Companies Act 2019. While the Act provides for a register covering the full economy, Ghana is adopting a staggered approach to collecting and publishing information, starting with high-risk sectors including extractives.

The government is working closely with the Opening Extractives team and local civil society to advance reforms, and there is scope to support structured data collection to improve data access and use. Capacity building is in progress to enable mining and petroleum regulators to screen beneficial owners of license applicants.

Beyond data users, technical support to the Registrar General's Department has been provided to improve the usability and clarity of existing paper-based declaration forms. The programme has also delivered two capacity-building workshops for the staff of the Registrar General Department to improve their technical expertise and to enable the collection of better quality data.



Data-use workshop in Ghana, February 2022



## Indonesia

Beneficial ownership transparency is a high priority across government. Indonesia has a central beneficial ownership register, maintained by the Ministry of Law and Human Rights, along with a beneficial ownership register for extractive companies maintained by the Ministry of Energy and Mineral Resources. The register from the Ministry of Law and Human Rights has been publicly available since July 2022, however it is not yet comprehensive or fully verified.

There are opportunities to improve data verification, quality and accuracy. The Opening Extractives team has been scoping these out in partnership with local stakeholders, as well as delivering an initial series of capacity-building workshops on the topic of verification. There is also scope for strengthening data sharing among government agencies.



## Liberia

In 2015, Liberia EITI (LEITI) launched its first beneficial ownership report, which included ownership data on 49 extractive companies, and an evaluation report on its pilot project.

In 2017, the Liberian government made commitments to advance beneficial ownership disclosure through the Open Government Partnership, and the Liberia Multi-Stakeholder Group published a roadmap on beneficial ownership. Since the launch of the Opening Extractives in Liberia, the programme has conducted a comprehensive assessment of the beneficial ownership regime and identified actionable areas of reform. Support has been provided to government on the development of a robust regulatory framework to advance reforms. The team is planning more detailed and practical consultation sessions with data collectors and data users once the regulations, forms and guidance notes are ready. An awareness-raising campaign in key counties in Liberia is also being executed.



### Mongolia

In 2017, the government approved a National Anti-Corruption programme, which provides for a plan to disclose beneficial owners in accordance with the EITI Standard. The most recent legislative enactment is the Public Information Disclosure Act, which allows the public to access data from all sectors. This law became effective in May 2022 and the mechanisms for public access are being formulated.

EITI Mongolia publishes some beneficial ownership information through EITI Reports and on its website, however disclosures are not yet comprehensive. The country has an EITI beneficial ownership roadmap, which outlines how the country intends to disclose the beneficial owners of the extractive companies in line with the EITI Standard.

The Opening Extractives programme was launched in Mongolia in May 2022 and is supporting local civil society groups and journalists to use procurement information from state-owned enterprises to investigate their beneficial owners and identify potential corruption risks. It aims to enable government and industry to disclose high-quality data by supporting focused discussions on draft legislations or policies relating to reforms.



Opening Extractives launch in Mongolia, May 2022



### Nigeria

In 2020, the government amended the Companies and Allied Matters Act (CAMA), which provides a legal framework for collecting beneficial information from oil, gas and mining companies and for establishing a beneficial ownership register. The Corporate Affairs Commission (CAC) is implementing the country's central beneficial ownership register, which will provide public access to beneficial ownership data across sectors. In addition, Nigeria EITI (NEITI) maintains a web portal that provides beneficial ownership information for extractives companies.

Technical support to the CAC has so far included a review of electronic forms and data collection processes, to support verification checks that mitigate data entry errors and cover the collection of additional information for publicly listed companies and state-owned entities. Support has also been provided to draft regulations to fully implement the requirements in CAMA. In addition, Opening Extractives is also engaged with a range of actors from civil society and the private sector to support the use of Nigeria's beneficial ownership data.



Opening Extractives launch in Nigeria, November 2021

### Philippines

In 2019, the Philippines' Securities and Exchange Commission (SEC) mandated corporations to include beneficial ownership information in their annual submissions. The submissions, known as General Information sheets, are publicly available, but data is accessible to law enforcement agencies only. Philippines EITI (PH-EITI) has pursued the public disclosure of the extractive sector's beneficial ownership information by encouraging EITI member companies to submit copies of declaration forms and give their consent to the publication of their beneficial ownership information in the country's annual EITI Reports. As of August 2021, more than 36 companies had agreed to publish their data in this way.

In September 2021, PH-EITI and the Opening Extractives team co-facilitated a workshop to develop the Opening Extractives engagement plan. The programme has started supporting the SEC through a review of declaration forms, which will be followed by capacity building work with government agencies. A scoping assessment report on beneficial ownership is also being completed.

Opening Extractives plans to facilitate and support outreach to companies to improve disclosure of their legal and beneficial ownership information by providing details according to standard declaration forms.

### Senegal

The disclosure of beneficial owners in Senegal's extractive sector is regulated by a decree which was enacted in March 2020. Beneficial ownership information is recorded in a commercial register and accessible upon request by relevant administrations and courts as well as by individuals. The decree defines a beneficial owner as any individual holding an interest of 2% or more in a company.



Opening Extractives launch in Zambia, December 2021

Working with the Ministry of Justice and ITIE Senegal, Opening Extractives has identified areas for technical assistance through a scoping assessment. These include guidance on harmonising the legislative framework and consolidating a single central registry. The programme is also planning to support capacity building for clerks in charge of beneficial ownership data collection, awareness raising for reporting companies, and data-use trainings.

The Opening Extractives Programme also provides an opportunity for Senegal to act as a regional hub based on the exchange of good practice to pursue the potential for harmonisation of legislation among countries in the region.

### Zambia

In 2017, the Government of Zambia amended the Companies Act to provide for the disclosure of beneficial owners and the creation of a beneficial ownership register hosted by the Patents and Companies Registration Agency (PACRA).

In line with the provisions of the Act, PACRA collects beneficial ownership data centrally, and is working to enhance its register. Civil society organisations have advocated for public beneficial ownership disclosures and for strengthening license allocation procedures.

Opening Extractives is working closely with PACRA and the Ministry of Mines and Minerals to provide technical assistance to advance implementation. It has undertaken a series of capacity building activities to enable journalists and civil society actors to make use of Zambia's beneficial ownership data and is supporting a local organisation to develop an online platform with tax information on key players in the mining sector.



Opening Extractives launch in Senegal, June 2022

# Accelerating reform

As governments, citizens and companies increasingly want to bring the real owners of companies into the open, the Opening Extractive programme has been building on this momentum to advance beneficial ownership reforms and implement good practices for data collection.

The activities outlined below form part of a comprehensive work plan to accelerate beneficial ownership reform. They have been co-created with stakeholders in each country, using evidence collected through a detailed scoping assessment conducted by the Opening Extractives team.

## Disclosure frameworks and practices

### Galvanising local ownership to advance reform in Ghana

In September 2021, a new multi-stakeholder National Steering Committee (NSC) was established as part of the official launch of Opening Extractives to oversee beneficial ownership implementation. The steering committee draws membership from the Registrar General's Department, the Minerals and Petroleum Commissions, Upstream Petroleum, Mining Chambers, the Financial Intelligence Unit, Ghana EITI (GHEITI), and civil society organisations. It worked together with the Opening Extractives team to generate a comprehensive beneficial ownership roadmap and it has provided strategic direction on

addressing weaknesses in inter-agency coordination. In July 2022, the NSC joined forces with Ghana Open Government Partnership to organise a Multi-Stakeholder Forum, which took stock of progress made in using beneficial ownership transparency to support government in reducing corruption and improving domestic revenue mobilisation.

Additionally, capacity building to local civil society representatives and journalists helped to increase their knowledge and embed beneficial ownership into their everyday work, and to connect them to members of the Ghana Multi Stakeholder Group and the NSC.

### Developing Liberia's regulatory framework

As Liberia kickstarts implementation of beneficial ownership transparency reforms, the primary focus is to develop a regulatory framework that augments the provisions on beneficial ownership in the recently amended Associations Law. A detailed Opening Extractives scoping assessment revealed gaps in Liberia's beneficial ownership regime that can be swiftly addressed through comprehensive regulations on beneficial ownership on how to identify a beneficial owner and the type of information that will be published.

To date, Opening Extractives support has targeted strengthening the regulatory framework for beneficial ownership by providing detailed and context-specific technical assistance to inform decision-making throughout the regulatory process.



Data-use workshop in Ghana, February 2022



Awareness raising townhall session in Liberia, September 2022



Opening Extractives launch in Nigeria, November 2021

**“The implementation of beneficial ownership transparency will help in tackling corruption and support revenue mobilisation efforts for development. This will be achieved by unveiling the real owners of companies to ensure that they pay the right amount of taxes, and reduce transfer pricing and mispricing, which have the potential of undermining our efforts on domestic revenue mobilisation.”**

His Excellency Nana Addo Dankwa Akufo-Addo  
President of Ghana

### Enhancing legislative frameworks in Nigeria

The Opening Extractives team has supported the Corporate Affairs Commission (CAC) to draft beneficial ownership regulations for Nigeria. These are the first of their kind in Nigeria, which lay out, among other things, the sanctions for failure to comply. The regulations were a requirement of the Companies and Allied Matters Act of 2020 (CAMA). They provide a legislative framework to identify a beneficial owner and determine what information will be collected and published on the e-register of Persons of Significant Control. This work clarifies new expectations for businesses in relation

to the legislation. These are being developed in a consultative way to ensure that stakeholders have a good understanding of the beneficial ownership regime implemented by CAMA.

As part of regulatory support to the CAC, the Opening Extractives team has been undertaking a comprehensive review of the web-based forms and processes to ensure that information can be adequately verified, and sufficient information is collected about publicly listed companies and state-owned entities. This work by the programme is helping to secure reforms in Nigeria, which are in line with current best practice.

## Collecting high-quality beneficial ownership data

### Ensuring consistency of data collection forms in Zambia

In Zambia, the Opening Extractives team organised a series of consultation sessions with the Patents and Company Registration Agency (PACRA) on the review of the legislative and regulatory framework on beneficial ownership in Zambia, including a comprehensive review of the existing beneficial ownership declaration forms.

The consultation sessions revealed that PACRA has several forms for reporting individuals or companies to submit, update or amend their beneficial ownership data. The forms were complex and contained open text fields that generated unstructured data. Inconsistencies were also identified between the data collected in the forms and the provisions in legislation on beneficial ownership, including the Companies Acts of 2017 and 2020, and relevant statutory instruments.

The feedback process is ongoing, and the programme has identified specific measures that PACRA can take to improve the usability, simplicity and structure of its forms. Amendments to legislation have been recommended to ensure consistency between the forms and the legislative framework.

### Addressing legal gaps in Ghana

In the first half of 2022, the Opening Extractives technical team undertook a comprehensive review of Ghana's regulations and paper-based declaration forms. The Registrar General's Department (RGD) raised concerns about the format and content of the forms. The legal review resulted in recommendations to address gaps in the beneficial ownership regulations, particularly on data verification. A subsequent review of the forms helped identify ambiguities and data gaps, and recommended changes to the structure and guidelines of the forms to improve usability and compliance with reporting requirements.

The presentation of the findings and recommendations to the staff of the RGD will be followed by a feedback report and annotated form. The Opening Extractives team aims to further support the RGD in developing a digital declaration form that aligns with Open Ownership's Beneficial Ownership Data Standard, and other international best practices.

### Strengthening data verification mechanisms in Armenia

Armenia has implemented a central beneficial ownership register in the form of its State Registry, which is maintained by the Ministry of Justice. The country has established electronic data submission and publication procedures, and has enabled public access to beneficial ownership information from extractive companies.

While a limited number of sectors are currently required to declare their beneficial owners, legal amendments to extend beneficial ownership disclosure for the whole economy were adopted in 2021. The first submission of beneficial ownership declarations across all sectors of the economy is expected in the first quarter of 2023.

In parallel, the State Registry requested support from Opening Extractives to strengthen existing verification procedures and improve data quality. The programme has shared best practices on verification mechanisms and is providing technical assistance to identify those most appropriate to the Armenian context.

### Improving the quality of beneficial ownership data in the Philippines

The Opening Extractives team undertook a technical review of the various beneficial ownership forms used by the Philippines Securities and Exchange Commission (SEC). The review aimed to recommend changes to the structure of the declaration form to improve data quality and advise on usability improvements, so as to minimise the burden to complete the forms and support plans for digitising the process.

The principal finding was that the current form collects a minimal amount of data about beneficial owners due to limitations regarding the structure of the form. Recommendations were therefore made to restructure the form, which are now being considered by the SEC.



Opening Extractives meeting in the Philippines with the Securities and Exchanges Commission, November 2022



Opening Extractives launch in Zambia, December 2021

**“Opening Extractives is in line with the government’s objectives of economic recovery, building trust and development opportunities through reducing risks such as corruption and tax evasion.”**

**Paul Kabuswe**  
*Honourable Minister of Mines and Minerals Development, Zambia*

**“Opening Extractives will support stakeholder engagement within and outside government to develop plans on beneficial ownership disclosures.”**

**Alfonso Lanuza Jr.**  
*Section Chief for Anti-money Laundering at the Securities and Exchange Commission of the Philippines*

Opening Extractives launch in Armenia, May 2022



# Modernising data collection tools

To accelerate progress towards making beneficial ownership data useful and accessible in countries, Opening Extractives provides hands-on technical support to develop tailored tools to collect, store and use beneficial ownership data. This section describes the technical guidance and tools for data use that have been developed during this period.

## Considerations for relational database design

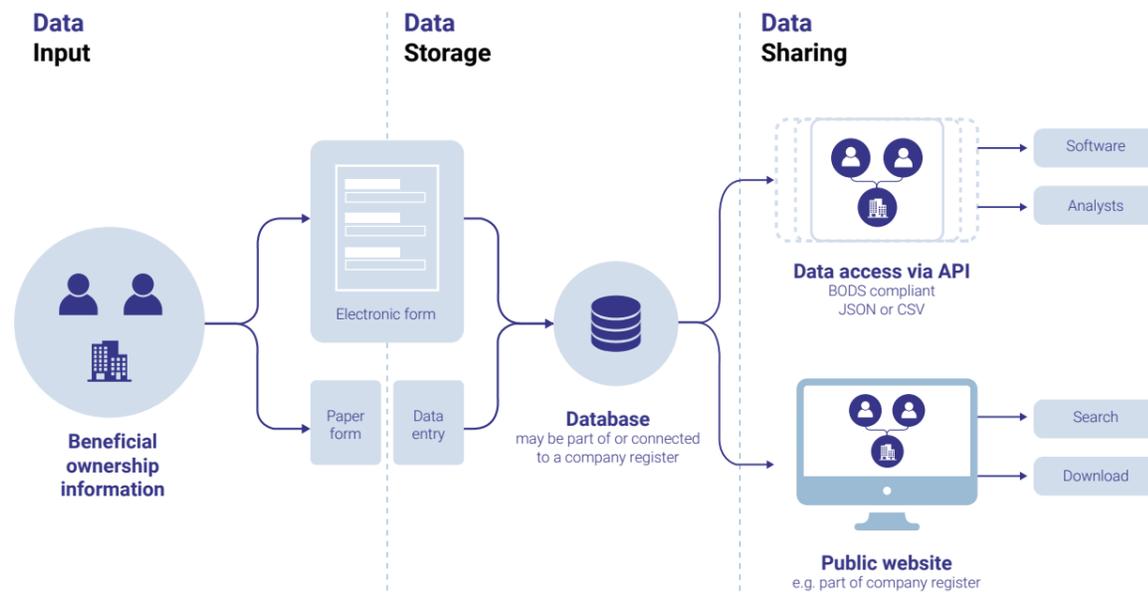
When building a system that holds beneficial ownership information, a relational database is typically used to link information about people who are beneficial owners with information about companies.

The Opening Extractives team produced guidance to support countries in implementing relational database systems to store beneficial ownership information. The document explores best practices for collecting beneficial ownership data, outlines the information flows within a typical systems architecture, and provides additional resources to support technical teams in designing a database structure for publishing in line with the Beneficial Ownership Data Standard.

## Improving data collection through Beneficial Ownership Data Standard (BODS)

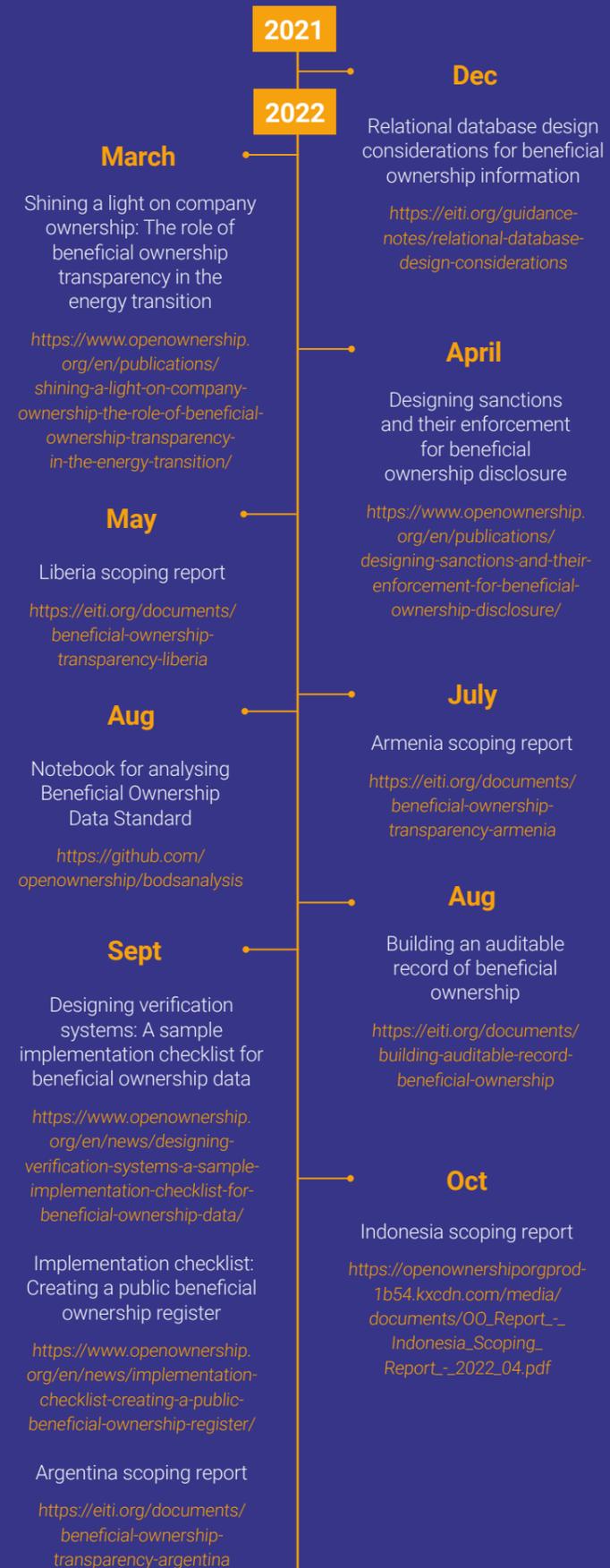
Across all Opening Extractives partner countries, the programme makes targeted interventions and recommendations to help improve beneficial ownership data collection and publication in line with the best practice embodied in the Beneficial Ownership Data Standard (BODS). The BODS is an open standard for collecting, sharing and using high-quality data on beneficial ownership. It provides a common data model to present information about the beneficial ownership of corporate entities and related arrangements, and to facilitate the sharing of information. In particular, the data model captures direct and indirect relationships of ownership and control by entities (such as companies) by other entities (including trusts and joint shareholdings) or by natural persons.

In providing technical assistance, the BODS is used as a key tool to understand key beneficial ownership concepts and the importance of data structure. Armenia already publishes data in line with BODS for extractive companies, and countries including Nigeria are implementing the standard.



Beneficial ownership systems diagram

## Publications by the Opening Extractives programme



“While beneficial ownership data is disclosed in Mongolia, there is need for more transparency and adherence to the recommendations of the Financial Action Task Force (FATF) and the EITI Standard.”

Ms Erdenechimeg  
Governance Manager at Open Society Forum, Mongolia

# Building skills for data use

One of the most important activities of the programme is to build the capacity of stakeholders across government, civil society and the private sector to integrate, use and analyse data to improve accountability and governance in resource-rich countries. Involving potential data users in beneficial ownership transparency reforms is also important for growing demand for access to beneficial ownership data, and helping potential users understand how beneficial ownership data could support their objectives.

A series of data-use trainings for government, industry and civil society actors were held in Armenia, Ghana and Zambia. These trainings enabled stakeholders to identify and address corruption and mismanagement risks related to hidden ownership.

## Data use for civil society

### Practical knowledge sharing in Armenia

The Opening Extractives team partnered with the Freedom of Information Center of Armenia (FOICA) to deliver a series of workshops with local civil society organisations, journalists and citizens. Participants gained knowledge of the key concepts connected to beneficial ownership, insight into the regulations in operation in Armenia, and hands-on techniques for using the data that is published in the Armenian Business Register. The programme provided training on how to use Open Ownership's suite of Beneficial Ownership Data Standard (BODS) tools to understand and analyse Armenia's data. In Armenia, BODS will be expanded to other sectors during 2023, and Opening Extractives is offering support to the authorities to utilise new data analysis tools, developed as part of the programme, to monitor this rollout.

### Enabling investigative reporting and data-driven advocacy in Ghana

In partnership with the Registrar General's Department (RGD) and the Ghana Extractive Industries Transparency Initiative (GHEITI), Opening Extractives hosted a multi-day capacity building course to support nearly 30 civil society advocates, journalists and citizens in accessing and using beneficial ownership information to inform investigative reporting and data-driven advocacy. To promote use of the register, the RGD took participants through the practical steps required to access data from the public beneficial ownership register. Experienced journalists shared key investigative techniques on how to make stories appealing, as well as resources to research and analyse data. After the workshop, four research projects led by participants were selected for further investigation.

### Using public beneficial ownership data to improve natural resources governance in Zambia

A three-day workshop was organised with the aim of helping Zambian organisations and individuals increase their knowledge of beneficial ownership transparency. Over 20 journalists and civil society members attended the workshop to learn how public information could be used to improve natural resources management and transparency. Public officials from Patents and Companies Registration Agency (PACRA), the Mining Cadastre and Zambia EITI (ZEITI) facilitated discussion sessions through practical exercises, exploring how they could use this information in their everyday work.

### "Joining the Dots" between extractive companies and politicians in Nigeria

Building on Joining the Dots, a platform developed in 2019 by Directorio Legislativo and EITI Colombia, the Opening Extractives programme is working with Directorio Legislativo and BudgIT, a Nigerian organisation, to build a similar platform in Nigeria. The project will build a new web platform that cross-references various data sources to identify red flags in the mining, oil and gas license award process.

Data used for the project will include reporting from the Nigeria EITI, the Corporate Affairs Commission's (CAC) Persons with Significant Control portal and extractive licenses awarded through NEITI reports and information on politically exposed persons. A scoping assessment was undertaken between February and May 2022, and platform development and local engagement activities are underway. The project aims to make a first version of the platform publicly available by May 2023.

## Data use for government agencies

### Addressing emerging challenges to improve beneficial ownership registration in Ghana

A two-day training session gathered over 50 staff of Ghana's Registrar General's Department (RGD) in July 2022. The training offered an opportunity for diagnostic deliberations where staff flagged emerging challenges in the collection of beneficial ownership data and maintaining of the register. The Opening Extractives technical team offered practical steps, approaches and guidelines in tackling challenging aspects of beneficial ownership data collection.

By strengthening the technical capacities of core staff within the RGD, the programme is helping to address hindrances to data collection, including improving the comprehensiveness and quality of Ghana's beneficial ownership data.

## Catalysing civil society action to improve resource governance

A global call for research or advocacy proposals for journalists, organisations or individuals working on beneficial ownership transparency and natural resources governance was launched in June 2022. The call generated 46 proposals, of which four outstanding and geographically diverse proposals were selected for funding:

1. Preventing risks of corruption in the lithium extractive industry in Argentina (by Fundeps in partnership with Red Ruido).
2. WetinWeGain3 campaign: holding extractive companies accountable by investigating crude oil SWAP deals in Nigeria (by Policy Alert).
3. Unlocking domestic resources for citizens by enhancing beneficial ownership transparency in the Zambian mining sector (by the Centre for Trade, Policy and Development (CTPD) and Tax Justice Network Africa).
4. Shedding light on Mongolian Mining State-Owned Enterprises procurement process through open data.

These data-use projects are currently underway and their results will be shared in future reporting.



Data-use workshop in Ghana, February 2022



Data-use workshop in Zambia, June 2022



EITI, Directorio Legislativo and IMF project



Data-use workshop in Ghana, February 2022

# Improving disclosure systems

## Zambian Financial Intelligence Centre using beneficial ownership for investigations

Beneficial ownership information has played a critical role in unmasking the parties involved in public procurement contracts in Zambia. Using beneficial ownership information, the Financial Intelligence Centre (FIC) has been able to link public procurement contracts to prominent influential persons. This has led to identifying suspected cases of public procurement corruption. In the last five years, the Financial Intelligence Centre has uncovered a large number of cases on suspected public procurement corruption to law enforcement agencies for investigation and prosecution.

The FIC uses beneficial ownership information in the register hosted by Patents and Companies Registration Agency (PACRA) for their investigations and the validation of information. They also collaborate on data sharing related to politically exposed persons (PEPs) as the FIC has a provision on PEPs in their laws, while PACRA has no express provision on PEPs. This multi-pronged approach enhances the accuracy of the beneficial ownership information.

## Nigeria Mining Cadastre's use of beneficial ownership for licensing

In July 2019, Nigeria's Mining Cadastre Office (MCO) introduced the submission of a completed beneficial ownership declaration form as a precondition for new license applications and renewals. Data gathered from this process has been used to supplement information from Nigeria EITI (NEITI) reporting to improve the comprehensiveness of NEITI Beneficial Ownership portal for the solid minerals industry.

Beneficial ownership data gathered through MCO's licensing procedure are used to update the NEITI beneficial ownership register. The MCO has also used beneficial ownership data from new license applications to identify previous mineral title holders seeking to avoid payment of outstanding debts by abandoning their old licenses and applying for new ones. Many of these defaulting mining title holders have been compelled to clear their debts or have their new applications rejected. Hence, the MCO has reported increased domestic revenue mobilisation since the use of beneficial ownership data as part of its licensing procedures.



Anglophone Peer Exchange in Ghana, July 2022



Anglophone Peer Exchange in Ghana, July 2022

# Evidence-based advocacy

**A combination of deep in-country technical work and evidence-based policy and technology recommendations gives the Opening Extractives programme a unique voice to contribute to global dialogue on beneficial ownership transparency.**

Through evidence-based advocacy, the programme aims to shape the priorities of key international bodies and drive long-lasting and transformative progress in beneficial ownership transparency around the world. This section highlights some of the advocacy work undertaken so far, which is set to scale up as the knowledge and evidence from the programme develops.

## Embedding beneficial ownership transparency into the energy transition

The energy crisis resulting from Russia's invasion of Ukraine, along with sanctions targeting Russian individuals, their assets, and legal entities, has underscored the need for visibility of company ownership to enforce sanctions. It has also highlighted the reliance on fossil fuel-based energy, with calls to accelerate the lagging energy transition and to attain a higher degree of self-sufficiency by developing domestic renewable energy sectors.

As demand for reliable, clean energy grows, countries that produce the raw materials on which energy systems depend will likely face economic, political and social challenges similar to those that have been observed in extractive and energy industries in the past. The Opening Extractives programme has responded by communicating the importance of beneficial ownership transparency to a just energy transition, and promoting international actors to take action to advance it.

### Five applications of beneficial ownership data in the energy transition:

- Mitigating corruption risks for critical minerals producers
- Strengthening transparency along clean energy value chains
- Ensuring accountability in power-purchasing agreements
- Monitoring private finance in the energy transition
- Supporting good governance for a just transition

Opening Extractives has also produced new research articulating the value of beneficial ownership transparency as a promising and concrete accountability tool for clean energy industries, and a key policy instrument.

The research was launched at the global Organisation for Economic Co-operation and Development Integrity Forum in 2022 and has since been discussed at multiple international fora. Beneficial ownership transparency reforms will see their largest impact if they are embedded from the outset of the energy transition, are applied in all aspects of energy value chains, and leverage lessons learned by the EITI and others working to improve transparency in the extractive sector.

## Advancing beneficial ownership transparency within key international fora

The programme team has further leveraged the evidence and learning produced by the programme to shape dialogue and action within the key international institutions that influence the global agenda and trajectory on beneficial ownership transparency:

- Work on beneficial ownership and the energy transition with the G20 Anti-Corruption Working Group, helping to shape a clear focus on beneficial ownership transparency in the energy transition, in particular on the important issue of critical minerals governance.
- Findings from the programme's technical delivery informed written and verbal submissions to the Financial Action Task Force consultations to revise its recommendations on beneficial ownership, which set the global standard on beneficial ownership transparency beyond the extractive sector.
- Opening Extractives has also leveraged the welcome focus on beneficial ownership transparency within the US-led Summit for Democracy, and has worked closely with those responsible for shaping and implementing work during the 2022 year of action that followed the first Summit for Democracy in 2021. This work will continue ahead of the planned second Summit for Democracy in 2023, with the aim of using the programme's evidence, learning and knowledge to drive beneficial ownership reform in the extractives sector and beyond, including in countries where the programme is not working directly.

# Strengthening stakeholder capacity through peer learning

**A significant focus of the Opening Extractives programme is facilitating learning and peer exchange at regional and global levels.**

Bringing together countries that are at different stages of their beneficial ownership journey creates valuable opportunities for countries to learn from each other. Learning events also provide an opportunity to scale the impact of the programme by bringing in other regional actors and building long-standing international networks of reformers that can push this agenda forward.

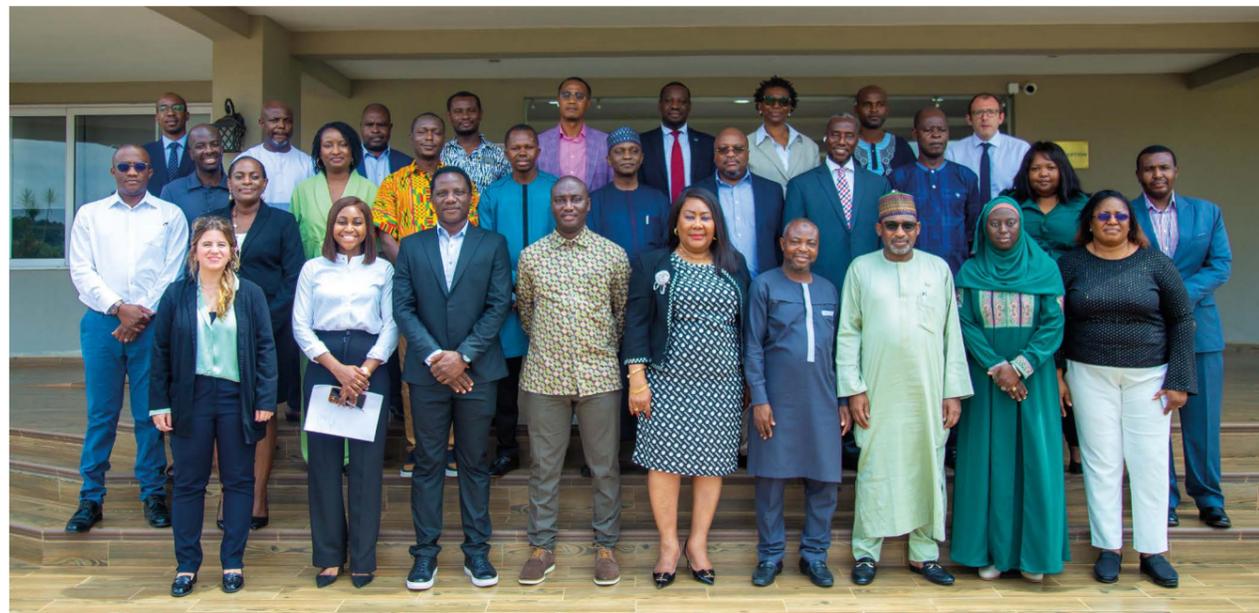
A peer exchange in Ghana in July 2022 brought together key government agencies from Ghana, Liberia, Nigeria and Zambia. To maximise the impact of the event, we enabled the virtual participation of other EITI implementing countries in the region, such as Malawi, Sierra Leone and Uganda. This presented a unique opportunity for a diverse range of actors, including company regulators, extractive sector regulators and investigative agencies, to interact and understand the value of beneficial ownership transparency to their work.

**“Learning from others was eye opening... to see that your struggles and challenges are shared.”**

The exchange was equally insightful for the Opening Extractives team. Moving forward, the next step is to seek out creative and practical ways to foster ongoing interagency and cross-country peer learning.

**Collective approaches to beneficial ownership transparency and company engagement in Asia**

Indonesia and the Philippines offer interesting peer-learning opportunities on common issues such as establishing effective regulatory frameworks and attaining



Anglophone Peer Exchange in Ghana, July 2022

meaningful participation from extractive companies. Both countries identified the need for private sector leadership alongside government and civil society to support beneficial ownership reform.

The Opening Extractives programme convened a roundtable discussion on beneficial ownership transparency in February 2022. This was attended by industry representatives and aimed to engage extractive companies on the benefits of beneficial ownership transparency for companies. Topics covered included the challenges of disclosing beneficial ownership information and how these are being addressed at a global and country level.

The roundtable provided a platform for companies in Indonesia and the Philippines, and those that operate in other EITI-implementing countries to share examples of their initiatives on beneficial ownership transparency and to exchange insights on advancing beneficial ownership transparency by drawing on existing due diligence mechanisms and processes.

**Debating security and privacy concerns in Latin America and the Caribbean**

Countries in the Latin America and the Caribbean region are still at the early stages of beneficial ownership

transparency, and are in the process of implementing central, non-public beneficial ownership registers to comply with Financial Action Task Force (FATF) recommendations. Yet, there remains substantial pushback in the region to making beneficial ownership data public.

One of the most frequently cited concerns about beneficial ownership transparency is that it may pose risks to the personal safety of beneficial owners. Several countries in the region face high levels of insecurity, violence and organised crime, and the protection of personal information can form an important element of strengthening citizens' safety. At the same time, criminal organisations and corrupt politicians frequently use shell companies and complicated or obscure corporate structures to hide and launder funds.

To address these questions and concerns, and help identify how the programme can best support transparency in the region, Opening Extractives hosted a regional debate on the main obstacles and way forward for beneficial ownership transparency. The discussions highlighted that security is a real threat for many citizens across the region, but that using security risks as a justification for opacity sidestepped the potential for transparency to address corruption, prevent organised crime and promote a fair business environment.



Opening Extractives forum in the Philippines, November 2022



## Successes and challenges

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# Setting the programme up for success

**Over the past year, Opening Extractives has embarked on a journey to secure high-level political commitment from implementing countries, build momentum and engagement and deliver sustained and high-intensity practical support to advance the availability and use of this data in partner countries.**

The inception phase focused on setting up programme and team structures, and creating the foundations for impactful and collaborative delivery by the EITI and Open Ownership teams in conjunction with local and international programme partners.

Throughout the second half of 2021, governments began to publicly commit to the programme through national launch events, which brought together civil society and the private sector, to discuss national priorities related to beneficial ownership transparency and how Opening Extractives could support them.

**In its first year, Opening Extractives has engaged deeply with at least 30 agencies leading on beneficial ownership reforms across 10 countries.**

Engagement with actors at country level highlighted the demand to support work in tackling specific issues such as addressing data privacy and security concerns, evidence of economic impact of beneficial ownership transparency, and examples of actual data use, especially for civil society.

Implementation gathered pace in the first half of 2022 in line with plans based on demand for support from participating countries. Awareness-raising strategies have been set up to shape the direction of beneficial ownership transparency as a follow up from the country launches, and to engage and sensitise broader audiences on the importance of beneficial ownership transparency.

In the area of technical assistance, scoping studies are moving ahead in parallel with targeted technical support. Their purpose is to lay out the technical and organisational requirements for delivering reforms. Technical assistance has also ramped up, with several countries currently being supported with beneficial ownership forms reviews, verification support, and drafting of legislation and regulations, among other types of assistance.

## The practical use of beneficial ownership data is a key goal of the programme.

At a regional level, a substantial amount of work went into holding regional peer exchange events and debates to foster discussion, explore current challenges and gather learnings.

This was complemented by the push towards sharing knowledge globally on key issues such as the importance of beneficial ownership transparency in the energy transition, and technical matters such as relational database considerations, and the power of auditable records of beneficial ownership.

A baseline analysis was undertaken in each participating country, applying the Open Ownership Principles and indicators identified through research that informed the programme design. This analysis will allow the programme to measure change in a meaningful way as the programme continues, with an emphasis on tracking non-linear change on the most salient issues identified by local stakeholders in each context.

### Challenges

During the period covered by this report, the key challenges faced by Opening Extractives related to macro-level issues such as COVID-19, political economy barriers related to beneficial ownership reform, as well as challenges to reform from stakeholder groups seeking to block progress.

The COVID-19 pandemic has posed a major challenge for stakeholders across several countries, and led to a first year of virtual engagement. In 2022, we have been able to recommence implementation work in person. Our approach of leveraging in-country connections and local knowledge, often built on strong pre-existing relationships with stakeholders, has been key to this working well.

Given the technical nature of beneficial ownership reform, and its relative novelty in many contexts where the programme is operating, the programme encountered and has worked through some challenges that affect technical implementation.

### Defining beneficial ownership and determining thresholds

Many Opening Extractives countries are reported as having a robust definition of beneficial ownership in at least one piece of legislation, however in other countries, the definitions are lacking

key elements. Working to put in place a clear, robust definition of beneficial ownership is foundational for many subsequent aspects of implementation, and effective use of the data.

### Constraints to in-country technical and human resource capacity

When providing technical assistance, there is a need to understand and account for the constraints that staffing conditions within government agencies place on the potential for the programme to support reform and to achieve its desired impact. Capacity constraints were considered along with specific technical needs when determining the intensity of technical assistance that is provided to each country at any given time.

### Supporting countries to improve pre-existing technical systems

Governments that have already made significant progress to implement beneficial ownership transparency have a different set of technical assistance requirements than those at earlier stages of implementation. While high-intensity technical support to do this has been well received by countries without existing systems, adapted approaches have been needed in countries looking to improve pre-existing systems.

### Making the case for public access to data

Committing to a public register of beneficial owners for extractive companies is required under the EITI Standard, creating the basis for public access to beneficial ownership information through EITI Reports or through government sources. Commitment to a full-economy register that is publicly accessible, free of charge and that does not have a registration requirement is still a challenge for many countries. Public access is subject to active debate in many participating countries, particularly those in Latin America and the Caribbean.

### Drawing on available data

Most participating countries are still in the process of implementing reforms, meaning that our work to support use of beneficial ownership data has primarily needed to target countries where some data is already available. This highlights the emerging nature of the topic of beneficial ownership globally, and has resulted in the programme engaging with potential data users to build local demand for information and to support the use of data where it is already available.

### Conclusion and next steps

Much progress has been made over the past year, and an adaptive approach and up-front investment in country engagement have laid a solid foundation for sustainable impact. With foundational work completed, technical delivery well underway and clear pathways to achieving availability and use of beneficial ownership data in 10 participating countries, the programme is well placed to accelerate its impact over the coming years.

In response to the growing urgency of the energy transition, Opening Extractives is focusing on scaling up its ambition to contribute to this global issue, leveraging renewed global focus on anti-corruption to highlight how beneficial ownership data can contribute to the energy transition agenda both locally and globally.

**“The implementation of the “Opening Extractives” Program in Senegal is a great opportunity to build the capacity of stakeholders for the purpose of better collection and use of data relating to beneficial owners”**

**Mr Ismaila Madior Fall**  
*Minister of Justice, Senegal*





## Looking ahead

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# Upcoming activities by region

## Africa

Opening Extractives is expected to continue working on the implementation of the strong strategies devised in partnership with implementers in Ghana, Liberia, Nigeria, Senegal and Zambia.

In Ghana, efforts are underway to support high quality collection of beneficial ownership information and build capacity of government agencies.

In Liberia, the programme is working with the government to achieve its commitment to build an extractives register by year-end. It's working on the development of regulations, manuals, and embarking on an awareness-raising campaign across six counties.

In Nigeria, the planned launch of the public register for beneficial ownership will drive work on data use and analysis, through innovative ways of using the Beneficial Ownership Data Standard visualisation tools.

Senegal hosts the Opening Extractives regional hub for Francophone African countries and will be leading an important platform for peer exchange on best practice with regards to legal frameworks and better use of data.

Zambia has made great strides in the implementation of its ambitions under Opening Extractives. The intention is to expand this ambition with technical support for the reform in the area of mining, and to improve due diligence of companies applying for licenses through better collection of beneficial ownership data.

## Asia

Progress on beneficial ownership in Asia is sustained by recent positive developments in the publication of data by Indonesia, and the legislative enactment of Mongolia's Public Information Disclosure Act, which allows the public to access data, including beneficial ownership data, from all sectors.

Armenia's endeavours will be concentrated on data-use workshops for civil society organisations and journalists, mentorship programmes for investigative journalists, presentation of a verification options paper to Armenian government and verification capacity-building activities.

Mongolia's efforts will be on convening stakeholders from government, companies, and civil society to firm up a work plan for advocacy on beneficial ownership, transparency and support for legislative bills and policy drafts that institutionalise disclosures. Workshops and capacity building activities will focus on the verification, use and analysis of beneficial ownership data, including information on politically exposed persons.

In Indonesia, technical support will focus on establishing strong systems for verification in partnership with government collectors of data, alongside data use work drawing on data recently released by the Ministry of Law and Human Rights.

In the Philippines, efforts will focus on ways to engage with Congress and key stakeholders who will champion the passage of a beneficial ownership transparency law. Consultations with the Philippines Securities and Exchange Commission and relevant agencies will also be undertaken to solidify the scoping assessment report.

## Latin America

The programme aims to catalyse regional support for beneficial ownership reform through upcoming events to foster government re-commitment and revive the community of practice for the region.





Opening Extractives meeting in the Philippines with the Securities and Exchanges Commission, November 2022

Jointly implemented by the EITI and Open Ownership





## **Opening Extractives**

Unlocking the benefits  
of ownership data

This report documents progress made in implementation of the Opening Extractives programme from September 2021 to August 2022.

The Opening Extractives programme is jointly implemented by the EITI, the global standard for good governance and accountability in the extractives sector, and Open Ownership, a global centre of expertise on beneficial ownership transparency.

> [eiti.org/opening-extractives](https://eiti.org/opening-extractives)