



# **Ethiopian Extractive Industries Transparency Initiative (EEITI) Work plan for 2014 - 2015**

## **ACRONYMS**

<b>CSO</b>	<b>Civil Society Organization</b>
<b>EEITI</b>	<b>Ethiopian Extractive Industries Transparency Initiative</b>
<b>EI</b>	<b>Extractive Industries</b>
<b>EITI</b>	<b>Extractive Industries Transparency Initiative</b>
<b>ERCA</b>	<b>Ethiopian Revenue &amp; Customs Authority</b>
<b>IS</b>	<b>Implementation Secretariat</b>
<b>MDTF</b>	<b>Multi-donors Trust Fund</b>
<b>MoFED</b>	<b>Ministry of Finance and Economic Development</b>
<b>NGO</b>	<b>Non-Government Organization</b>
<b>NSC</b>	<b>National Steering Committee</b>
<b>Qr.</b>	<b>Quarter</b>
<b>ToR</b>	<b>Terms of Reference</b>
<b>UNDP</b>	<b>United Nations Development Program</b>

## TABLE OF CONTENTS

<b>Contents</b>	<b>Pages</b>
1. Acronyms -----	1
2. Table of Contents -----	2
3. Introduction -----	3
4. National priorities-----	5
5. Mission, Vision & objectives	
a. Mission -----	6
b. Vision-----	6
c. Objectives-----	6
6. Expected outcome- -----	7
7. Major pillars of the work plan	
d. Capacity building -----	8
e. Institutional building-----	8
f. Promotion/communication-----	8
g. Implementation of EEITI process-----	9
h. Monitoring and evaluation-----	10
8. Financial management-----	10
9. Plan implementation table-----	11
<b>Annexes</b>	
Annex 1. Structure of EEITI in Ethiopia -----	17
Annex 2.National Steering Committee -----	18
Annex 3. Situation analysis -----	18

## **Introduction**

The Extractive Industries Transparency Initiative is a global initiative launched by the former PM of U.K. Mr. Tony Blair in 2002. It is an International multi-stakeholders initiative of governments, companies and civil society working together to strengthen the governance of revenue and related activities by improving transparency and accountability in the extractive sector. EITI involves a process by which the payments made by companies and revenues received by governments are disclosed and published in independently verified reports. The process is overseen and governed by a multi-stakeholders working group represented from government, civil society organizations and extractive companies. Currently, it is implemented by 44 resource rich countries with some of the world's powerful countries are also already making efforts to join the process.

Implementing EITI will help countries to efficiently collect the revenue generated from the extractive industries, supports anti-corruption and good governance agendas of countries and establish citizen trust in public institutions and extractive companies. Citizens would be able to hold government accountable in the use of revenues collected from the extractive companies based on the transparent system established to manage the national resources. A transparent system will bring conducive investment climate and attract more Direct Foreign Investment in the country.

The government of Ethiopia has recognized the contribution of EITI to reduce poverty, fight corruption, promote good governance, transparency and accountability and joined the global initiative to implement the extractive industries transparency in Ethiopia. The government is also committed to work with stakeholders in general and with CSO's in particular to raise awareness of the local community towards the extractive sector and the EITI process as well for the development of the mining industry and to ensure sustainable development.

Thus, the Government was formally launched EEITI in 2009 and made considerable efforts to meet EITI requirements and achieved its candidature with valuable recommendations by the EITI Board. In view of this, a two year work plan has developed through the detailed assessment and recommendations given to incorporate actions to address potential capacity constraints, any legal, regulatory or administrative barriers to the implementation identified in the ongoing legal review commissioned by the NSC.

The work plan is designed for the year 2014 &2015 considering that the validation work will be incorporated in the next two years of the EEITI work plan.

This work plan is developed through the involvement of the stakeholders particularly by the active participation of the Ethiopian National Steering Committee (ENSC), and through exhaustive consultation with different partners, donors, CSOs, expertise and national and international institutions. The efforts which we have made since the launching of Ethiopian EITI 2009 till the pilot reconciliation period has been considered as a benchmark or reference in identifying important issues to.

This document is distributed to the government entities, Civil Society Organizations, Extractive Industries, local communities, donors and other partners up on their interest to provide any technical & financial support.

## **1. National priorities**

Extractive Industries in Ethiopia is on infant stage. The closed economic policy lasts for a long time hindered the sector to be left without meaning full contribution in the national economic growth of the country and undermine transparency in the national resource management. Moreover, there was no clear legal frame on the environmental protection in relation with the mining operation, lack of qualified geosciences data, unclear amount and contribution of revenues generated to the public from mineral sector.

Thus, the rapid evolving of the EI, impact of mining expansion on the environment, high expectation from the citizen to know the contribution of the extractive sector in the national economy would lead us to identify the national priorities in the implementation of EEITI. Additionally, identifying national priority would help to clearly set the scope of EEITI and enables to emphasize on the very important areas to deliver to bring sound change in the EI and to meet the EITI requirement effectively. Accordingly, the main priorities to give due attention in the implementation of the country`s EITI are identified and listed below.

- 1.1. Create transparency on payments made by Mining companies & revenue collected by government entities to ensure accountability;
- 1.2. Raise public understanding of the license allocation process;
- 1.3. Increase revenue by creating conducive environment (i.e. clear licensing & regulation system,...) for private investment to enhance the contribution of EI in the national economy;
- 1.4. Awareness rising for stakeholders to ensure their engagement in the EEITI process;
- 1.5. To promote corporate social responsibility in the mining sector;

## **2. Mission, Vision and Objectives of the EEITI**

### **2.1 Mission**

The mission of EEITI is to provide a framework where Government, Private Sector and Civil Society work together to ensure that in Ethiopia the extractive industries developed in a lawful and transparent environment; so that, the natural resources and related revenues are used judiciously to the benefit of

the Ethiopian people. The negative consequences of Extractive Industries are avoided; and then these aims are achieved through the application of the EITI principles, improving public awareness to encourage public monitoring and participation.

## **2.2 Vision**

To see that the natural resource wealth of Ethiopia becomes an engine for sustainable development and poverty alleviation through the institutionalization of transparent, accountable and effective management of resources generation and utilization.

## **2.3 Objective:**

**The work plan has the following major objectives:**

- To raise the awareness of stakeholders including local communicates to secure meaningful communication regarding Extractive Industries' (EI) development at the level of mining communities, and selected local, regional and national public administration and civil society within one year;
- To set-up a disclosure and consultation scheme ( mechanism) at the level of mining communities, industries and relevant civil societies and governmental organizations within one year;
- To widen the scope of EITI beyond revenue reconciliation to issues of : environmental and social permitting of EI, social responsibility of companies, contracting and award of licenses, transparency of geological data and mining cadastre, business environment for the extractive industries within two years;
- To raise the public understanding of the license allocation process;
- To fulfill all EITI requirements to achieve compliance within three years;
- To achieve a meaningful public debate of EEITI reports and results, and issues of debate as the NSC may decide;
- To ensure the effective implementation of EEITI; and

- To increase the amount of revenue generated from the extractive industries.

### **3. Expected outcomes**

With respect to the objectives stated above, it is hoped that the EEITI implementation will bring the positive outcome among all stakeholders and helps to create transparency and accountability in the extractive sector thereby, increase the level of income to contribute in the economic growth of the country. In brief the implementation will result in:

- Increased national awareness on the benefits of implementing EEITI in the country;
- Increased public & community interest & participation in EEITI implementation & monitoring process;
- Recognition of the importance of transparency and accountability towards the natural resource management among relevant government and private entities, so that the support and commitment from these entities will be growing;
- Improved culture of open dialogue, tolerance and democratic discussion among stake holders to realize the opportunity of accessing valuable information for Civil Society and media institutions which will in turn increase and enable them to make the Government accountable;
- Raised public understanding of the license allocation process;
- Increased amount of revenue generated from extractive industries to the national economy;
- Realized trust building among stakeholders; and create a level playing field for extractive companies;
- Empowered citizenry to impose the business sector and government entities to be accountable against the national resource management.

### **4. Major pillars of the work plan**

#### **4.1 Capacity building**

- Awareness raising activities for civil society, local communities and local governments will undertake to increase their awareness of the process, improve understanding of the information and data accessed from the reports and encourage to use the information among citizens;



- Arrange/facilitate experience sharing program for NSC members and IS staff with best EITI implementing countries.
- Conduct Regional/local EEITI conference on the Natural Resource management;
- Identify and make available materials/equipments necessary for the implementation secretariat to undertake day to day activities of EEITI such as Vehicle, Stationeries, electronics equipment, etc...

#### **4.2 Institutional Building**

- produce & popularize simplified version of EEITI act that governs government, companies & CSOs as well;
- Prepare an overview of the existing laws & regulations and information on the roles and responsibilities of the relevant government agencies;

#### **4.3 Promotion/communication**

- Produce and distribute monthly written materials to educate and raise an awareness of the citizen on the EEITI implementation;
- Create a system and Make use of broadcast and audio visual media (TV, radio, Video, community radio) to promote EEITI process;
- Develop and maintain social media for EEITI (EEITI web site, face book, e-mail etc);
- Undertake outdoor advertizing (billboards, banners posters, comic figures, etc), in areas such as bus stations, super markets, crossings, Squares, schools, hospitals, cafes, mining sites etc);
- Relationship building activities to form and maintain partnerships with significant Ministries and regional Governments, similar organizations (CoST, Ethics and Anti-Corruption Commission, Environmental Protection Authority) and donors, etc.

#### **4.4 Implementation of EEITI process**

- Make an assessment of the needs and barriers to participation of the CSOs and other stakeholders and develop an action plan to achieve satisfactory performance;
- Develop and approve the scope and clear terms of reference on the activity report and EITI report for the independent administrator to undertake in the international standard;
- Decide on material companies and material payment to be reconciled by independent administrator;
- Identify all mining companies and government entities to disclose payments and revenues receipt in disaggregated fashion or way;
- Hire independent administrator through international competitive bid;
- Undertake reconciliation process on the payments made by companies and revenue receipt by the government by an internationally recognized firm;
- Produce/ publish paper copies of the final report endorsed by the ENSC at least in four languages;
- Arrange forums to undertake public dialogue on the EEITI report and disseminate to the citizens through accessible means of communication;
- Identify, organize and set mechanisms to address recommendations forwarded by the firm to be used as lessons learnt for the next business;
- Establish a system and take steps to address any discrepancies appeared;
- Produce annual EEITI activity report for the year 2014 by 1 July 2015 in accordance to the scope of EEITI formulated by the NSC;
- Launch and disseminate annual EEITI activity report and EEITI report produced by the firm;

#### **4.5 Monitoring and evaluation.**

- Investigate and ensure that, all license awarded and contracts signed are compliance with Extractive Industries laws, rules and regulations;
- Facilitate stakeholder`s forum on the result of reconciliation report before the dissemination of the published report;
- Carry out surveys and interviews to assess degree of awareness regarding EEITI, quality of public debate, etc.
- Investigate the impact of mining operation on the environment and degree of mitigation made by companies.

### **5 Financial management**

A budget of **675,000 USD** is required for the implementation of EITI in Ethiopia for the next two years period. The budget will be covered jointly by the government and MDTF organized by the World Bank.

In addition, the Government of Ethiopia will cover all the administrative costs to host the implementation secretariat including salaries for full time personnel and costs related to the meetings held by ENSC. Additionally technical and other assistances are also expected from the EITI International Secretariat, Extractive companies operating in Ethiopia and other development partners.

## 6. Ethiopian Extractive Industries Transparency Initiative Activity Table for 2014 - 2015

Goals	Objectives	Constraints	Activities	Indicator	Implementing partners	Expected output	Time frame								Cost, USD		
							2014				2015						
							Quarter				Quarter						
I	II	III	IV	I	II	III	IV										
Capacity building all stakeholders	Undertake capacity building		Conduct National and Regional EEITI conference on the Natural Resource management;	conducted Conference	NSC,IS	Increase sense of ownership & commitment				X				X	50,000		
			Undertake awareness creation for civil society, local communities, government entities, business sectors, and key media institutions to increase their awareness of the process,	Awareness created	NSC,IS	Increased knowledge towards to EEITI,				X		X				150,000	
			Arrange/facilitate experience sharing program for NSC members and IS staff with best EITI implementing countries	experience gained	NSC,IS	Adopted good practice			X								40,000
			Awareness raising for Artisanal miners	Forums created	NSC,IS	Increased miners benefits			X		x						20,000
			Conduct training on mining data flow system between companies & government entities at the federal & Regional level	Existence of reliable data flow	NSC,IS	cleared production data					x						10,000

			<b>Activities</b>	Indicator	Partner	Out put	I	II	III	IV	I	II	III	IV	<b>Budget</b>
			Recruit procurement expertise	Expert recruited	NSC,IS	Efficient work					x	x			
Recruit Finance expertise	Expert recruited	NSC,IS	Efficiency work					x	x						<b>10,000</b>
Identify domestic and external sources of funding to undertake agreed work plan;	Identified source of funding	NSC,IS	Effective implementation of EEITI					X	x						
Identify and make available materials/equipments necessary for the implementation secretariat to undertake day to day activities of EEITI:Computer with printer(desktop), Scanner, Digital camera,TV,Vehicle, Photocopy machine, Laptop computer, Giant staplers, Hand bags Brief cases, CDMA, External Hard Disk and LCD projector	Purchased number of equipments	NSC,IS	Enhanced capacity of IS						X	x					<b>80,000</b>
Conduct training on project management, communication, finance & procurement for EEITI staff	Follow up made	WB	Better implementation							x					<b>5000</b>
Produce EEITI Act	Enable EEITI to be governed by law	Regulatory and administrative laws protect mining companies	Produce and popularize simplified version of EEITI act that governs government, companies & CSOs as well;	Enacted EEITI Legal Act	NSC,IS	Ensured EEITI				X					<b>5,000</b>
			Prepare an overview, regulations& information on the roles & responsibilities of the governments	Prepared overview of the existing laws	NSC,IS	Identified challenges and obstacles				X					

			<b>Activities</b>	Indicator	Partner	Out put	I	II	III	IV	I	II	III	IV	<b>Budget</b>		
Increase stakeholders understanding on EEITI	Achieve meaningful communication	Skill gap, financial constraints	Extend EEITI implementation process among all relevant Federal, Regional and Administrative Cities and persuade them by arriving at each region in person to appoint focal individuals;	Extended EEITI implementation throughout the country	NSC,IS	Increase national awareness on the benefit of EEITI			X		x				<b>6,000</b>		
			Identify different observers from relevant local and international organizations, academicians individuals etc... to attend the quarterly NSC meeting and National EEITI members meeting held every 2/3 years with no decision power	Number of Various observers participated	NSC,IS	Increased opportunities to receive comments			X							<b>3000</b>	
			Prepare a detailed document on the engagement by government, civil society organizations and industries; and challenges in the implementation of EEITI process since the launching of the initiative;	Prepared document	NSC,IS	Identified magnitude of the stakeholders engagement			X								<b>2,000</b>
			Encourage and facilitate annual public debate and dialogue on 2014 activity report among stakeholders in relation to the implementation of EEITI;	conducted annual Public debate	NSC,IS	Increased culture of democratic interaction									x		<b>7000</b>
			Conduct official launching of EITI candidature	Conducted events	NSC,IS	Increased commitment of officials		x									<b>3,000</b>

<b>Activities</b>	<b>Indicator</b>	<b>Partner</b>	<b>Out put</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>Budget</b>
Publishing the procedures for license allocations	Published procedures	NSC,IS	Increased Public understand			x						5000
Produce and distribute promotional materials of EEITI, such as stickers, fliers, pens, hand bags, T-shirts, paper folders and agendas once a year; and brochures, news papers, fact sheets and magazines, every quarter of the year;	Distributed promotional EEITI materials	NSC,IS	Increased awareness			X	x					20,000
Create a system and make use of broadcast and audio visual media(TV, radio, Video, community radio) to promote EEITI process;	Broadcast and audiovisual medias' used	NSC,IS	Enhanced level of awareness among stakeholders			X	X	X	X	X	X	10,000
Promote entertainment education in the form of drama & music;	Provided educational entertainment	NSC,IS	Enhanced level of awareness among stakeholders			X	X	X	X	X	X	5,000
Create social media for EEITI (EEITI web site, face book & e-mail)	Created social media	NSC,IS	Enhanced level of awareness			X						20,000
Undertake outdoor advertizing (billboards, banners posters & comic figures) in Regional Bureaus, Administrative Cities & Mining sites	undertake n outdoor advertizing	NSC,IS	Enhanced level of awareness among stakeholders				X	x				4,000





<b>Activities</b>	<b>Indicator</b>	<b>Partner</b>	<b>Out put</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>Budget</b>
Identify all mining companies and government entities to disclose payments and revenues receipt in disaggregated fashion or way; and decide on material companies and material payment to be reconciled by independent administrator;	Identified companies and government entities for disclosure	NSC,IS	Facilitated conditions for reconciliation					X				1,000
Develop and approve the scope and ToR for reconciliation	Developed material	NSC,IS	guidelines						x			
Hire independent administrator through international competitive bid;	Firm hired	NSC,IS	Secured transparency						x			5,000
Undertake reconciliation on the payments made by companies and revenue receipt by the government for the years 2013/2014;	Conducted reconciliation	NSC,IS, reconciler	Secured transparency						x	x	x	100,000
Prepare a description of each revenue streams that would help the steering committee to decide on the materiality definitions and thresholds for reconciliation process;	Identified revenue streams	NSC,IS	Decided threshold of source of items					X				
Produce/ publish paper copies of the final reconciliation report endorsed by the ENSC at least in four languages.	Dissemination of published report	NSC,IS	Accessed information on the report								X	5,000
Arrange forum and disseminate EEITI report to the stakeholders;	Arranged forum	NSC,IS	Accessed information of report								X	10,000

Activities		Indicator	Partner	Out put	I	II	III	IV	I	II	III	IV	Budget
	Identify, organize and set mechanisms to address recommendations forwarded by the firm to act on lessons learned in relation to the natural resource management;	Addressed recommendation	NSC,IS	Addressed recommendations								X	
	Establish a system and take steps to address any discrepancies appeared;	Addressed discrepancies	NSC,IS	Enabled to identify gaps								X	
	Assess, compile and discuss the revenue management, expenditure, transportation system, discretionary social expenditures or ad-hoc sub national transfer, beneficial ownership level and contract process, with NSC and make decision to declare;	Assessments made	NSC,IS	Identified revenue management and expenditure						X			2,000
	Conduct study and develop a detail document on the material social expenditures made by companies and government in kind or cash and/or any contribution to the locals related to Extractive Industries;	document developed	NSC,IS	Ensured implementation of companies CSR.						X			5,000
	Conduct timely press and press release on 2013/2014 reconciliation report;	Conduct press release	NSC,IS	Accessed EEITI information								X	4,000

			<b>Activities</b>	<b>Indicator</b>	<b>Partner</b>	<b>Out put</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>Budget</b>
Ensure the effective implementation of EEITI	Monitor and evaluate EEITI implementation process		Establish EEITI members Association referred to as "EEITI Association" represented from government, companies, CSOs, local communities and the media that will act as the highest body of the country's EITI Hold National EEITI Steering Committee meetings four times a year to oversee the implementation process and decide on EEITI issues; Assess and identify any potential obstacles, legal, regulatory or administrative barriers to EEITI ;	Establishment of strong National Association Number of meetings held resolved obstacles	NSC,IS NSC,IS NSC,IS	Ensured the effective implementation of EEITI Decided on issues of EEITI Identified barriers to EEITI	X	X	X	X	X	X	X	X	20,000
			Investigate and ensure that, all license awarded and contracts signed are compliance with Extractive Industries laws, rules and regulations;	implemented EI law	NSC,IS	Ensured transparent license awarding				x					3,000
			Establish two sub-committees(technical and sensitization sub-committee)	Established sub-committee	NSC,IS	Strengthened role of NSC			x						5,000
			Conduct inclusive representation or nomination of multi stakeholders group to lead the initiative for the next three years. (2014-16)	Nominated NSC	NSC,IS	Active participation of stakeholders			x						2,000
			Investigate the impact of mining operation on the environment, communities and the degree of mitigation made by companies and the government	Investigated impact of mining operation	NSC,IS	Mitigated negative impacts of mining			X						10,000

			<b>Activities</b>	Indicator	Partner	Out put	I	II	III	IV	I	II	III	IV	<b>Budget</b>
			Conduct work visit in the three large Mining operation sites jointly with tripartite groups	Field visit made in mining sites	NSC,IS	Identified its compliance				x		x			<b>10,000</b>
			Produce ,publish and disseminate comprehensive annual EEITI document	Document ed produce	IS	Increase awareness				x	x				<b>10,000</b>
			<b>Total</b>												<b>72600 0</b>

## Annexes

### Annex 1. Structure of EITI in Ethiopia

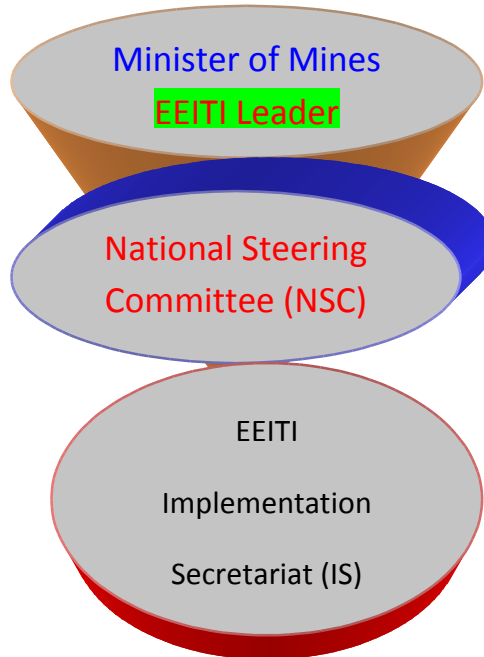
The Extractive Industries Transparency Initiative is a stakeholder initiative being implemented with and by different bodies who have no overlapping powers and has three equally important parts.

These are:

1. Government officials who are providing political support;
2. National Steering Committee representing Government, Mining Companies & Civil Society organizations; and
3. Implementation Secretariat hosted in the Ministry of Mines which is responsible for day to day activities.

EEITI has a General Assembly/Association that meets once within two years to endorse work plan & decide on related matters.

The Ministry of Mines is the government organ that is responsible for the implementation of EITI in Ethiopia. The Minister of the Ministry of Mines is the leader and chairman of the multi-stakeholders “National Steering Committee - NSC” assisted by the state minister of the Ministry of Mines.



## **Annex 2 National Steering Committees (NSC)**

The National Steering Committee has 17 members represented from the three multi-stakeholder groups; the government, the civil society and Extractive companies. It includes the Minister and State Minister of Mines who are the Chairperson and Deputy chairperson of the Committee respectively. The NSC is the governing body of the Extractive Industries transparency initiative in Ethiopia.

The EITI Implementation Secretariat (IS) is established and hosted in the Ministry of Mines. The Secretariat is responsible for the day to day activity of EEITI and will assist and support the NSC. Mainly, the Secretariat (IS) is expected to undertake the regular capacity building, verification, disclosure, publication and dissemination of all material payments made by extractive sectors to the Government and all material revenues received by the Government from the extractive sectors.

## **Annex 3. Situation Analysis**

The Oil, Gas and Mining Sector is growing at a fast pace in Ethiopia, with an intensive exploration activity that is already delivering results, with reserves being confirmed in gold deposits and gas. At present there are more than 270 mining companies registered of which 63 are operating mines. The rest are engaged in various stages of prospecting and exploration. 35 mining companies joined EITI on a voluntary basis till to the candidature period. A number of development partners, including the World Bank are considering interventions that would improve the investment climate and regulatory framework so as to ensure positive outcomes for the country from the extractive industries sector.

The political leadership is committed to an inclusive development of the sector and wants to avoid the negative side effects that have given a bad name to the mining and oil related development in several African countries. EITI is perceived as “the solution” that will ensure a transparent financial and contractual environment, will be a shield from undue corruptive pressures, etc. The commitment of the policy makers to the EITI standards remains strong and resilient, in spite of being refused the candidacy in 2009 and in spite of

changes at the top level in the Ministry of Mines. Legislation making the EITI process mandatory for companies has passed the Parliament and will now be enforced.

A significant number of private sector companies are favorable towards EITI. On one hand, they see EITI as a powerful honest broker that provides a third party testimonial between the company and the community. Community relations in this country play an important role. On the other hand, EITI can also serve as a shield from undue demands and corruptive behaviors.

### **SWOT analysis**

This analysis regards strictly the implementation environment and related aspects.

#### **Strengths:**

- An existing functional Secretariat, that has already delivered several trainings and communication products.
- The existence of a core group on which implementation capacity can be built – the Secretariat and the NSC.
- The NSC is coherent and motivated.
- The Press is favorable to EEITI, which can expect favorable coverage.
- Ethiopian NGOs are favorable to EEITI, are motivated to make it go and can be counted on to provide support to the operations with minimal costs;
- The Ethiopian Constitution supports and encourages transparency;
- The Ethiopian government has declared the new Mining proclamation;
- Mining companies have a positive attitude regarding the Ministry of Mines (MOM) and Government of Ethiopia and appreciate the willingness of the government to encourage investments;

- Ethiopia is a relatively honest country with few instances of corruption and a culture of respect of the law.

### **Weaknesses**

- There is only a reduced capacity to implement. The present staff doesn't have the training necessary to carry out its day to day activities.
- Poor data management in government entities and extractive industries;
- Lack of providing the necessary available data on a timely basis;
- The business environment is rather unfriendly to mining and oil industries that are very time sensitive;
- The CSO proclamation and even more the way in which it is interpreted and enforced is perceived as a barrier to public debate and public participation.

### **Opportunities**

- The recent acceptance of EEITI as candidate has raised its visibility and position for the moment and this sudden elevation needs to be exploited, momentum must be maintained for as long as possible;
- As a candidate country, EEITI will enjoy more attention and support from the donors;
- There are a number of companies that now will start mining, raising the scope of EITI;
- Government commitment to implement EITI;
- The World Bank applauded the step, Ethiopia has taken to engage on transparency issues;
- Stakeholders are highly committed to implement EITI in Ethiopia;



## **Threats**

- There is a potential risk that rent-seeking groups (that are looking for undue rents, or bribes) from the extractive industries companies create political obstacles to EEITI;
- The Human rights watch & other right based organizations misunderstanding to the Ethiopia charities and societies proclamation that will reflect on EEITI even if there is no direct connection;
- Lack of sufficient logistics budget;
- The perception of Corruption may lag effective implementation of EEITI;