



EEITI ANNUAL ACTIVITY REPORT

FIRST REPORT (JANUARY 1, 2014 – DECEMBER 31, 2014)

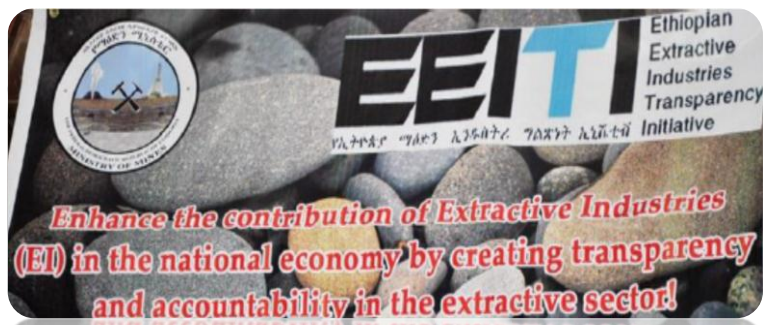
FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA



"Ethiopia is now an EITI candidate country; this gives us an opportunity to prove our commitments towards transparency, accountability and good governance."

H.E. Minister Tolosa Shagi Ministry of Mines

FINAL REPORT



June 2015

EEITI National Steering Committee
ADDIS ABABA ETHIOPIA

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Acronyms and abbreviations

ASM	Artisanal and small-scale Mining
CoST	Construction Sector Transparency - Ethiopia
CSOs	Civil Society Organizations
ECDD	Environment and Community Development Directorate
EEITI	Ethiopia Extractive Industries Transparency Initiative
EITI	Extractive Industries Transparency Initiative
ENSC	Ethiopian National Steering Committee
ERT	Ethiopian Revenue Transparency
FDRE	Federal Democratic Republic of Ethiopia
IA	Independent Administrator
IS	Implementation Secretariat
ISWP	Implementation Strategy and Work Plan
MOM	Ministry of Mines
MOM	Ministry of Mines
MSG	Multi-stakeholders Group
NEITI	Nigeria Extractive Industries Transparency Initiative
PLC	Private Limited Company
TEITI	Tanzania Extractive Industries Transparency Initiative
TOR	Terms of Reference
UNDP	United Nations Development Programme
WB	The World Bank

1. Introduction

Ethiopia at a glance

Ethiopia has a rich history of one of the earliest humankind civilizations of the world and remarkably unique physical features . It is dissected into two parts by the Great Rift Valley, which is dotted by a chain of lakes. The physical processes that have taken place over millenia have led to the preservation of a multitude of the earliest animal and plant lives in the different parts of the country. As a result of these physical processes, Ethiopia is famous for its archaeological sites, namely, for the discovery of Lucy, locally called “*Dinknesh*” (a marvel), “*Selam*” (peace, nicknamed Lucy’s baby) and “*Ardi*” (means ground or floor) in the Afar Regional State. These discoveries have significantly shaped research directions and focuses of multi-national research teams in their quest for understanding the earliest human civilization and evolution.

Ethiopia has diverse topographic features which are characterized by high mountains, deep valleys, lowland plains and areas which fall below sea level. Whereas Ras Dashen is the highest mountain (about 4620 m asl) in Ethiopia, Dallol depression lies at about 116 m below sea level. Due to these physical features, the distributions of thermal variations are significant through out the country. The seasonal variation is governed by the North-South movement of Intertropical Convergence Zone (ITCZ), where the northeast and southeast trade winds come together, in Ethiopia.

The diverse topography and history have led to the formation of various ecosystems of Ethiopia. Recent comprehensive records of the plant life of Ethiopia have shown that there are about 6,000 different types of plants. Similarly, Ethiopia has a rich diversity of birds and wildlife, some of these such as Walia ibex, the Ethiopian Wolf, Mountain Nyala and Gelada Baboon are endemic to Ethiopia. The rift valley lakes are the prime destination for migratory birds from around Europe, Asia, Africa and other places.

Ethiopia is as diverse in its population and language as its natural features. There are over 80 ethnic groups with diverse and yet rich cultural heritages. Ethiopia has experienced various governance models ranging from a unitary monarch system, a Socialist Government with a central power and now a Federal Government with decentralized power. There are nine Regional States with their respective Presidents. The lowest administrative unit in Ethiopia is Woreda or Kebele. Ethiopia follows a parliamentary governance system where People’s Representatives are directly elected by their respective constituencies each five years. The President of the FDRE is the head of the State and will be nominated and elected by the House of People’s Representative.

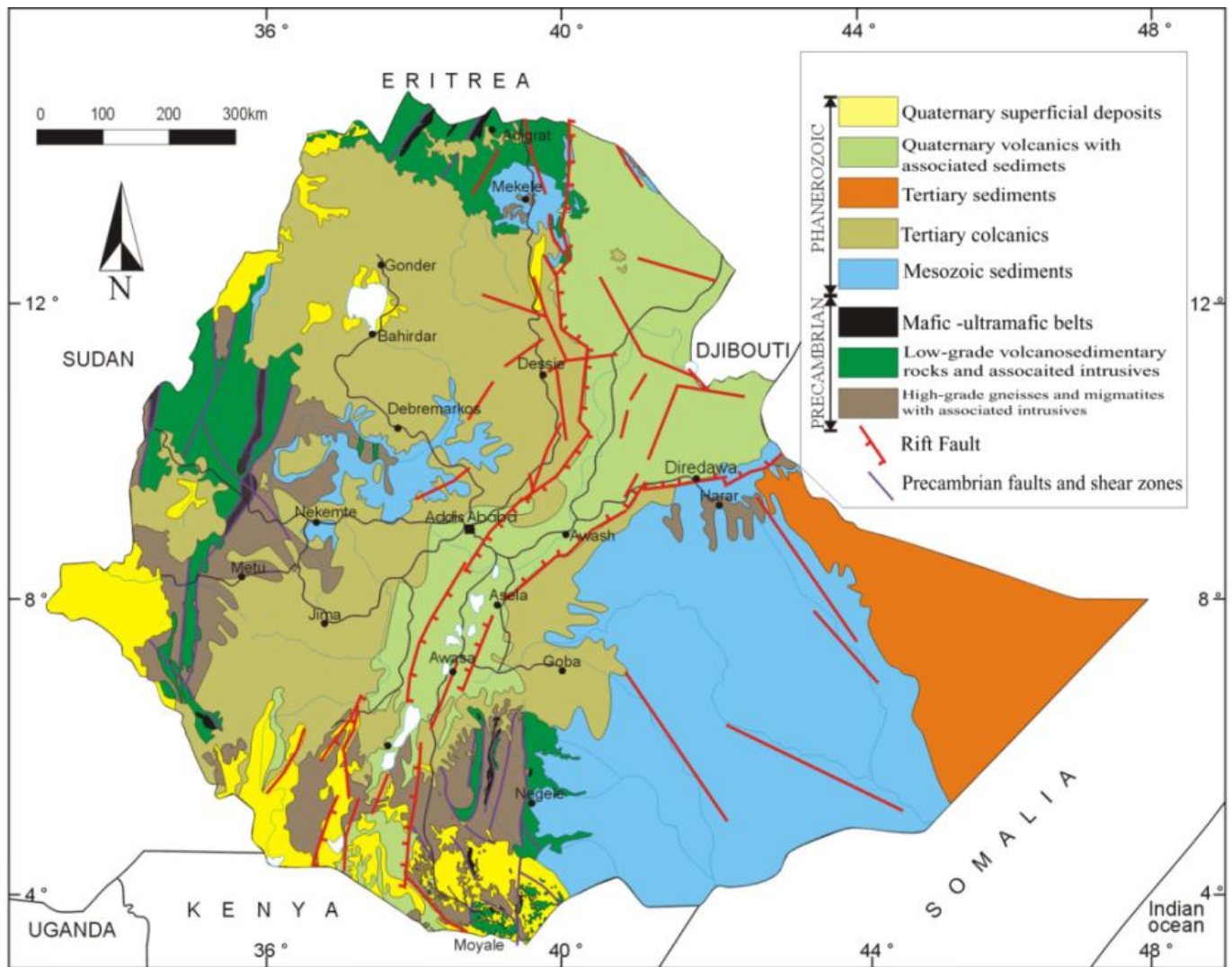
Ethiopia’s economic and development policies are based on the principles of free market economy, which has led to its continuous double digit growth over years. Ethiopia’s overarching development plan, the Growth and Transformation Plan, sets targets for each sectors to harness the aspiration of the country to achieve the status of a middle income countries in a short time. Currently, there are visible growths in various infrastructure sectors such as construction, road, telecommunication and electricity. Coffee has been a major export commodity over years. Currently, it is being also supplemented by various products such as flowers and minerals¹. Due to the attractive political, economic, human resources and infrastructure environment, the trend in investments is continually growing over the last two decades.

In terms of its international environmental responsibilities, Ethiopia is a signatory of different multi-lateral environmental agreements such as Convection on Biological Diversity, Convention to combat Desertification, Framework Convention on Climate Change and etc. In order to adapt to climate change, Ethiopia has developed the Climate-Resilience Green Economy, CRGE, development strategy. To this end, Ethiopia has developed projects for green energy (e.g. Hydropower and Wind Farms) and green transiet transport infra-structure (e.g. Addis Ababa Light Rail Transit Project).

¹ The current contribution is minimal but a geometric increment has been projected in the coming years.

Mineral resources base of Ethiopia

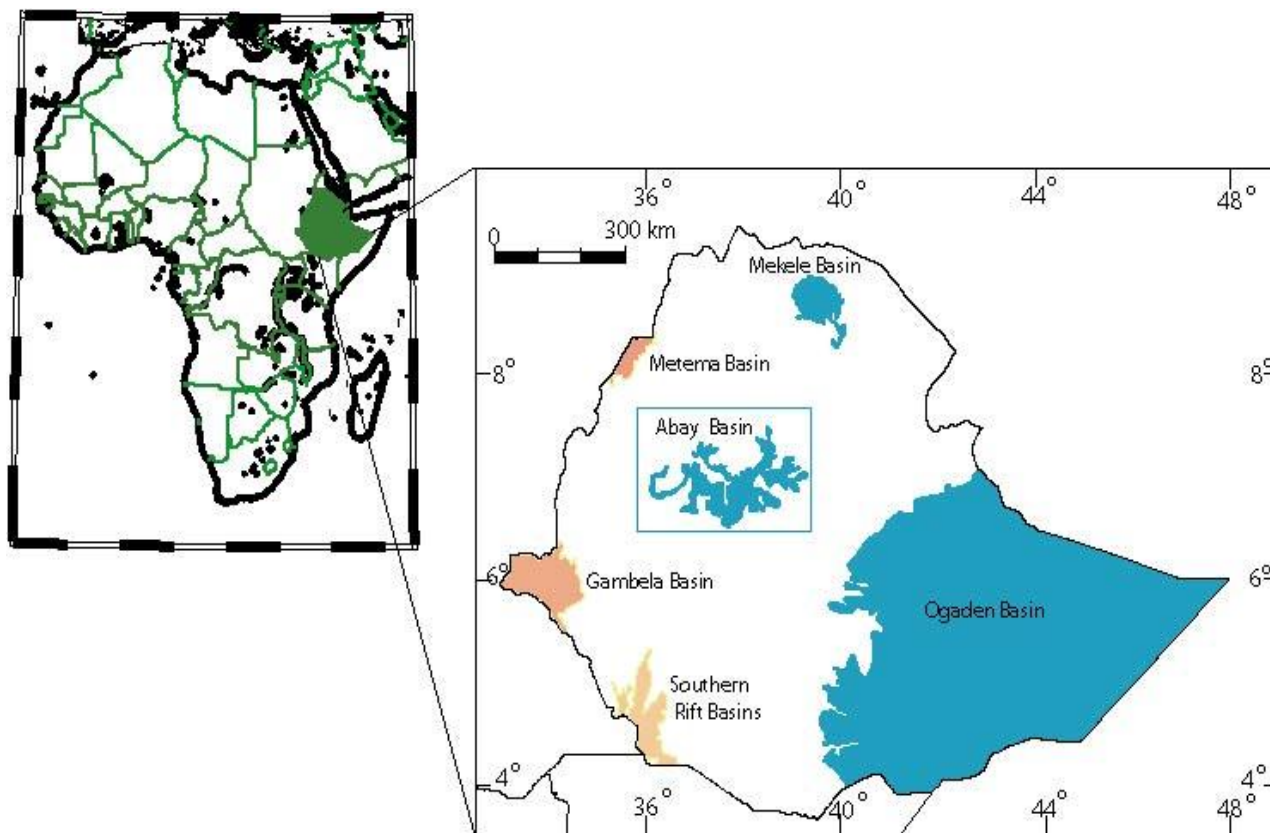
1. Ethiopia is endowed with a rich wealth of natural resources which are the results of a long history of geological processes.
2. Different previous records of the the Geology of Ethiopia led to the recognition of the Precambrian basement rocks which cover about 25% of the total land mass. This basement rock contains the green stone belts of Ethiopia which are known for their mineral resources of various kinds such as gold, platinum, phosphate, iron and etc. These green stone belt areas are spatially located in the northern, western and southern parts of Ethiopia (the map below). There are also other rock types such as Paleozoic to Mesozoic sedimentary and Cenozoic and sediments covering 25% and 50% of the land mass of Ethiopia, respectively. Ethiopia has also a large deposits of potash and salt in Afar depression and rift valley lakes.
3. In term of their quantities, there are minerals that are abundant and others are of a relatively smaller quantities. This distribution in the quantity of mineral resources presents opportunities for both large scale and small/medium scale mining activities in Ethiopia.
4. There are different stages in the development of the mineral resources of Ethiopia.
 - a. **Exploration phase.** There are still minerals under exploration.
 - b. **Production phase.** A handful of minerals such as gold, limestone, marble and gemstones, mainly opal, are being produced and constitute the main mineral export items of Ethiopia.
 - c. **Development phase.** There are tangible activities to develop minerals in different parts of Ethiopia, for example, potash in Dallol Depression.



Geological map of Ethiopia showing the three Green belts (source: Geological Survey of Ethiopia, Ministry of Mines)

Petroleum resources base of Ethiopia

5. An indication for hydrocarbon (oil and gas) deposits of Ethiopia has concentrated at six major basins: Ogaden basins, Mekele, Abay, Metema, Gambella, and southern Rift.
6. The effort of the Ministry of Mines has led to the discovery of a commercial condensate gas field of 35 million metric tons in Calub, Ogaden basin.
7. This sector of the natural resources development effort of the country is currently under the exploration phase of different stages.



Potential Petroleum resources of Ethiopia (Source: Geological Survey of Ethiopia, Ministry of Mines)

A Brief history of the Ethiopian Extractive Industries Transparency Initiative

Preparatory Phase

The implementation of EITI in Ethiopia has been discussed at the highest Government level involving the Office of the Prime Minister, Federal Ethics and Anti-corruption commission and the Ministry of Mines and Energy, hereafter called Ministry of Mines in 2008. The Office of the Prime Minister has delegated the Ministry of Mines and appointed H.E. Minister Alemayehu Tegenu as a champion to spearhead the implementation of EITI in Ethiopia. The Ethiopian Government has issued an unequivocal public statement for the EITI implementation by using mass media outlets and H.E. Minister Alemayehu Tegenu has further reaffirmed this commitment of the Government at the 4th Global EITI Stakeholders' conference in Doha, Qatar in February 2009. Dr. Peter Eigen, the chairman of EITI at the time, and the World Bank were officially informed about the commitment of Ethiopia to implement EITI.

The Ministry has embarked on major preparatory activities to establish EEITI and its Implementation Secretariat. EEITI implementation requires the involvement of three stakeholders, the Government, CSOs and extractive industries. These preparatory activities have included an official call for the Civil Society Organizations in July, 2009 for convening them to discuss about the basic principles of EITI and its criteria and Ethiopia's decision to implement this global initiative. Extractive industries operating in Ethiopia were also formally invited to discuss about Ethiopia's plan to implement EITI. In the meantime,

the champion of EEITI implementation has institutionalized EEITI and has established an EEITI IS within the Ministry of Mines to be headed by Mr. Hundie Melka.

The EEITI implementation objectives were developed to streamline the activities of the multi-stakeholders Group. These objectives have mainly focused on the following points.

- i. Establishment of a system for a disclosure of payments and revenues from the extractive industries by the Government and the companies;*
- ii. Fostering transparency and accountability of the Government and companies through reconciliation of payments and revenues from the extractive industries by an Independent Administrator, IA;*
- iii. Dissemination of information about the contributions of mineral resources to the national development to the public to ensure sustainable natural resources governance;*
- iv. Mutual engagement of the Government, civil society and companies to work together for a sustainable development of mineral resources in Ethiopia; and*
- v. Creating enabling environment for a transparent and accountable governance of minerals, oil and gas resources of Ethiopia to ensure its projected impacts on the socio-economic development.*

In addition to the series of meetings with the CSOs and extractive industries for explaining the roles of these multi-stakeholders, the EEITI IS has also drafted a Memorandum of Understanding for the EEITI tripartite multi-stakeholders and drafting of the Implementation Strategy and Work Plan for further deliberations during the planned EEITI Launching conference. The MOU has four broad components. These are:

- a. ENSC's commitment to uphold the principles and criteria of EITI;*
- b. The responsibilities and power of the ENSC;*
- c. Ear-marking the Ministry of Mines as repository of all documents of EEITI; and*
- d. Limits of the terms of services of the members of ENSC.*

Launching of EEITI

The official launching of EEITI was conducted from July 28-29, 2009 in Adama involving more than 100 participants drawn from the CSOs, extractive industries and Government entities. The main agenda items were the election of EEITI Multi-stakeholders Group, discussion on the EEITI Implementation Strategy and Work Plan from 2009 – 2011, the MOU and its subsequent signature by all members of the MSG. Separate parallel sessions were conducted by the EEITI multi-stakeholders to elect their representatives in the MSG following detailed presentations with regard to the principles and criteria of EITI and the roles of the stakeholders for the implementation of EEITI. The EEITI MSG, termed as the Ethiopian National Steering Committee, ENSC, was established by drawing 5 representatives from each of the three stakeholders. The Champion, H.E. Minister Alemayehu Tegenu and the State Minister, H.E. Sinkinesh Ejigu of the Ministry of Mines were appointed as the chairman and vice-chairwoman of the ENSC, respectively.

Following their formal election, the members of the ENSC has convened on July 29, 2009 to discuss on two major points: the Implementation Strategy and Work Plan and the MOU. The ISWP had four core objectives. These are:

- i. To achieve an EITI candidate status (according to the 2009 EITI Rules);*
- ii. Capacity building for EEITI*
- iii. EITI implementation in Ethiopia; and*
- iv. Validation of EITI implementation in Ethiopia.*

As Ethiopia's EITI candidate status was envisaged to be realized in 2009, all subsequent activities of the ENSC were designed to take place by using this solid foundation as a starting point to further strengthen EEITI implementation. The ENSC has deliberated on the ISWP and the MOU in details and approved both documents. The MOU was signed by all members of the ENSC resulting in its full enforcement as of

July 29, 2009. The ENSC has also developed and approved the Terms of Reference to consolidate its internal governance.

Major EITI implementation activities before 2014

Ethiopia has fulfilled all the four EITI sign-up criteria of the 2009 EITI Rules and submitted its Application for an EITI Candidate status on August 6, 2009 to the EITI Board. The Application was accompanied by copies of the unequivocal Public statement by the Government, official call for CSOs, agenda of the EEITI launching conference, EEITI ISWP, signed MOU and membership details of EEITI ENSC.

The EITI Board has deliberated on the Application of Ethiopia for an EITI candidate status on October 14, 2009 in Baku, Azerbaijan and deferred its decision seeking further explanation from the Government of Ethiopia with regard to the free and active participation of the CSOs in EEITI implementation. The sticking point was the Proclamation on Registration and Regulation of charities and societies in Ethiopia. The EITI Board has found it pertinent to send a fact finding mission to Ethiopia to collect more information on the views of the CSOs, various international and Government institutions. The mission has held multiple consultative meetings with these institutions and has reported the prohibitive nature of the Proclamation with regard to the participation of the CSOs in the EEITI implementation. The EITI Board has deliberated on the Application of Ethiopia for the second time but has maintained its previous position. The chairman of the EITI Board has officially communicated this decision to the Ethiopian Government. However, he has encouraged Ethiopia to continue the implementation of EEITI and suggested to present a new case, for example, the publication of an EITI-style report to the EITI Board. This decision of the EITI Board has triggered various responses from the Government of Ethiopia (the Ethiopian Embassy to Germany, the Ministry of Mines and Federal Ethics and Anti-corruption Commission) and the representatives of the CSOs.

The EEITI with its major development partner, the World Bank, has rigorously worked to establish the Ethiopian Revenue Transparent Initiative aiming at publishing its first revenue transparency report. The Terms of Reference have been developed and a UK-based IA, the Hart Group, was selected to undertake the assignment. Although not an EITI requirement, Ethiopia has published its first ERT Report on September 9, 2013. This report was officially communicated to the EITI Board and has been disseminated at multi-stakeholders' workshop and mass media (Government and private) representatives.

EEITI has also extended its activities to regional levels (sub-nationals) following this decision and has selected three regions (Amhara, Somali and Dire Dawa) to establish a database for payments of minerals, oil and gas resources, types of extracted minerals resources and companies operating in these areas. This effort has resulted in the collection of these data by the ENSC.

The EEITI ENSC has awarded a certificate of participation for 28 extractive industries participating in the EEITI implementation. The major impact of this activity was an increase in the number of applications of the extractive industries for participating in the EEITI implementation. The number of companies participating in the EEITI implementation has increased since then.

South-south experience sharing working visits of the members of EEITI ENSC

Various working visits were made by the members of the ENSC to EITI implementing countries with the core objective of understanding EITI implementation processes, governance structure and the roles and level of participations of the CSOs in the EITI process. The delegates of EEITI ENSC have made working visits the following EITI implementing countries.

- **Zambia**
- **Nigeria**

- **Liberia**

The members of ENSC have also participated in the International Conference on Mining for Development held in Sydney, **Australia** from May 17-25, 2013. The State Minister of the Ministry of Mines and vice-chairwoman of the EEITI ENSC, H.E. Sinkinesh Ejigu, has further reiterated Ethiopia's commitment and determination to implement EEITI.

In its effort for facilitating a robust implementation of EEITI, its IS has prepared a Training Handbook in 2013 and distributed it to its stakeholders. This major activity has facilitated the understanding of the principles of EITI and the roles of each of the stakeholders in ensuring effective implementation of EEITI.

Workshops

The EEITI has also conducted various training workshops for its multi-stakeholders. The core objectives of the workshops were to create awareness for EEITI implementation and disseminate the progresses of EEITI implementation. An overview of these workshops are given below.

- Representatives from the EEITI IS have participated in a mining taxation workshop held from 9-10, 2011 in Addis Ababa. The workshop was organized by the African Union and European Union and UNECA.
- A training workshop from April 2-3, 2012 was conducted in Addis Ababa for representatives of extractive industries and Minerals Licensing and Administration of the Ministry of Mines. This workshop was attended by 56 participants and was officially opened by H.E. Minister Tolessa Shagi of the Ministry of Mines and chairman of the EEITI ENSC. The core objectives were data management of the mining sector, good governance and principles and targets of EEITI implementation.
- Another similar workshop was conducted from April 4-5, 2012 in Adama with the same main objectives for representatives from Regional States (sub-nationals) drawn from the offices of the Mineral Licensing and Administration, Revenue and Customs, Audit General and experts from the Ministry of Mines. Over 50 participants have attended this workshop.
- The workshop from October 18-19, 2012 was organized by EEITI ENSC for national and international CSOs drawn from 59 CSOs and 19 institutions to create awareness for EEITI implementation and the roles of the civil society. Over 78 participants have attend this workshop.
- A training was conducted for the CSOs from May 16-19, 2013 in Adma.
- A stakeholders' forum was also conducted on September 19, 2013.
- Representatives from the EEITI IS have participated in a training workshop on mining tax law and management of mineral revenues that was conducted from November 25-29, 2013 in Addis Ababa. The training was conducted by the University of Sydney, Australia.

Application of an EITI candidate status

Given the dynamic nature of the EITI Rules, the ENSC has streamlined its work plan and activities according to the new EITI Standard (2013). Ethiopia has fulfilled the EITI sign-up criteria according to the 2013 EITI Standard and has submitted its Application for an EITI candidate status on October 1, 2013 to the EITI Board.

Structure of this report

This EEITI Annual Activity Report covers a period from January 1, 2014 – December 31, 2014. Except for the introduction part of this report, the remaining parts of this Annual Activity Report follows the details of EITI Standard (2013). The **guidance note 5 of November 13, 2013** has served as a template for the preparation of this report.

2. General Assessment of Year's Performance

2.1. Summary of the 2014 Activities

The ENSC has developed a work plan for years 2014 – 2015 consisting of five overarching objectives. These objectives are given below.

- i. Capacity building;*
- ii. Enable EEITI to be governed by law;*
- iii. Promotion/communication of EEITI implementation; and*
- iv. Fulfillment of the EITI Requirements/avoiding discrepancies of payments and revenues ;*
- v. Monitor and evaluate an EEITI implementation process.*

Some of the itemized activities of these objectives were planned to be carried out in 2014. Here, a brief summary of the accomplishments of these activities by EEITI ENSC is provided.

Capacity building for EEITI multi-stakeholders and ENSC

A stakeholders' workshop was held in Bishoftu in May 2014 to discuss the implementation progress of EEITI implementation. The workshop was organized for representatives from national private and Government mass media institutions and some CSOs. The main objective of the invitation of mass media representatives in this workshop was to extend the awareness creation effort of EEITI to media outlets to ensure the coverage of its activities on a regular basis. This creates opportunities for the public to get information on the activities of EEITI with regard to transparency and accountability in mineral resources financial transactions between the Government and the extractive industries. A total of 60 participants have attended this workshop.

A training workshop on the value chain of the extractive industries and the 2013 EITI Standard was conducted by the ENSC on August 19, 2014 in Addis Ababa by the EITI International Secretariat. A total of 24 participants have attended the workshop.

The Ethiopian Extractive industries forum was conducted from October 7-8, 2014 in Addis Ababa. The forum has focused on the awareness creation for EEITI multi-stakeholders about the opportunities and challenges of extractive industries of Ethiopia related to the existing policy environment, management of minerals revenues, natural resources management and the environment safeguard mechanisms and sharing good practices, e.g. in geo-data management. A total of 100 participants from the CSOs (national and international), major development partners, extractive industries and Government entities have attended this workshop. This workshop has also got a wider mass media coverage by national and international private and Government media outlets.

A national workshop focusing on the transparency and accountability in natural resources was conducted from December 25-26, 2014 in Adama for representatives of the civil society, extractive industries and Government entities drawn from federal and Regional Offices. A total of 144 participants have attend this workshop. A handful of presentations on the management of Mineral Licensing and Administration at Regional and Federal levels, overview of the existing environmental and social safeguard mechanisms, mandates and activities of the Office of Auditor General and Regional Audit Bureaus and Revenue management were made. The main objective of the workshop to provide a holistic overview of the operations of the minerals, oil and gas sectors of Ethiopia and their links to the EEITI implementation process. A presentation by Mrs. Zainab Ahmed of the General Secretary of the NEITI has also enabled the participants to gain a regional experiences for the implementation of EEITI.

The ENSC has extended its activities to the Artisanal Mining sector. To this end, it has conducted two major awareness creation outreach programs at Afar and Benshangul-Gumuz Regional States in December 2014. In Afar Regional State, the State Minister of the Ministry of Mines and vice-chairman of

the ENSC, H.E. Dr. Alemu Sime and the Head of the Afar Regional State have participated in this outreach program. A total of 50 participants drawn from the artisanal miners, extractive industries operating in the Regional State and Government entities have attend the meeting. The outreach program in Benshangul-Gumuz has involved over 70 participants from artisanal miners and Government entities such as federal offices working on issues pertaining to minerals development and regional bureaus of minerals licensing and administration. The State Minister and vice-chairman of ENSC and highest officials of the Regional State have participated in this EEITI's regional (sub-national) outreach program.

Re-enforcing the activities of the EEITI IS is a vital undertaking as this improves the day-to-day activities of ENSC. Two additional experts, finance and procurement experts, were employed to support the IS. The office infrastructure of the IS provided and furnished by the Ministry of Mines. Furthermore, the financial contributions of the major Development partners, e.g. the World Bank, have played key roles for enhancing the implementations of the planned activities of ENSC.

Experience sharing working visits to EITI implementing countries were limited due to a shortage of funding.

Enable EEITI to be governed by law

The EEITI ENSC has regularly addressed limitations of the existing laws and regulations of minerals, oil and gas for the implementation of EEITI during its workshops and forums. A study by the ENSC on the study of Minerals Licensing and Administration and contract management was published in January 2014. The main objective of this study was to assess the management of licenses in mineral explorations, mineral development and issues pertaining to contracts with the companies in the framework of the implementation of EEITI.

Effective Promotion/communication of EEITI implementation

The ENSC has extended its activities to regional levels (sub-national) with regard to its effort to improve the awareness of the Regional offices working mineral licensing and administration. To ensure sustainable contacts and lines of communication, the ENSC has appointed the head of Regional Bureaus of Mines and Energy to further disseminate the implementation objectives and achievements of EEITI in their respective constituencies.

One of the major milestones under this category of the work plan was the official launching of Ethiopia's EITI candidate status. Ethiopia was declared an EITI candidate country on March 19, 2014 following the deliberation of the EITI Board on its Application. This event was held on June 17, 2014 in Addis Ababa involving the President of the FDRE, H.E. Dr. Mulatu Teshome, H.E. Minster Tolessa Shagi and the State Minister, H.E. Tewodros G/Egziabher, various high level dignitaries from the Government and international development partners, representatives of CSOs and the extractive industries and mass media institutions. A total 140 participants have attended this official launching conference. The event has also captured the headlines of private and Government mass media outlets such as newspaper, Radios, and Television.

The ENSC has always seized the opportunities created during its workshops to distribute promotional materials to its multi-stakeholders. In certain events huts and T-shirts were distributed to the participants of the workshops.

There are also some activities under this category which are still under consideration due to funding limitations. Examples are promotion of the progresses and objectives of the implementation of EEITI by using Drama and Music, outdoor advertising in the form of a billboard and creation of a social domain such as Facebook and a dedicated website. The EEITI is currently using the official website of the Ministry of Mines (www.mom.gov.et).

Fulfillment of the EITI requirements

The Terms of References for the EEITI Annual Activity Report was developed and approved by the ENSC. The Annual Activity Report has been developed according to the planned schedule. The members of the EEITI ENSC have held four meetings to discuss various issues related to the activities of EEITI.

Monitor and evaluate an EEITI implementation process

The ENSC has devised a mechanism to further improve the efficacy of its activities. Such a mechanism was the establishment of a technical committee drawn from each of the tripartite multi-stakeholders of EEITI, the civil society, the Government and extractive industries. Although the ENSC has recognized the importance of establishing a sensitization committee, its establishment is currently under arrangement. To further enhance its activities with fresh members, a refreshment program was successfully held to replace the serving members of the ENSC.

The ENSC through its regional extensions, namely, the Regional Audit Offices, has conducted studies on the impacts of mining operations on the environment and the uses of child labor. The activities of the artisanal miners were also included in this study. The ENSC has documented its findings for further engagements with its multi-stakeholders.

ENSC has accomplished almost about 80% of its planned activities under this objective of its work plan but there are two activities which are still under consideration due to the limitation of a financial resource. These are a visit to three large mining sites and a publication of comprehensive annual EEITI document.

Activities beyond the Work Plan for 2014

EEITI has also created a functional linkage with the similar national initiative, **Construction Sector Transparency - Ethiopia** (CoST-Ethiopia). This is a national initiative to foster transparency in the construction sector focusing on monitoring payments for large government funded construction projects.

In recognition to the outlining the outstanding contributions by the members of the ENSC, a certificate of recognition was awarded to them on June 17, 2014. The award was handed over to the members of the ENSC by the President of the FDRE and H.E. Minster Tolessa Shagi of the Ministry of Mines.

Issues pertaining to administrative and legal barriers for the implementation of EEITI were discussed. This deliberation has led to the importance of developing an EEITI law in the near future. Reporting companies and materials for reporting was identified. Furthermore, the Terms of Reference for the Independent Administrator was developed.

2.2. How the activities align with the objectives of EEITI implementation

Objective 1. Establish a system through which companies and the Government disclose payments and revenues generated from the extractive sector in Ethiopia

1. The core objective of the commitment of the Government of Ethiopia for the implementation of EITI is to establish transparency, accountability and good governance in natural resources transactions.
2. The ENSC has committed to ensure an independent and transparent ways of reporting payments made to the Government by companies and collections made by the Government.
3. The ENSC has completed the scoping of EITI report including revenue streams, payments and reporting entities.
4. The TOR for the activities of the IA were developed and approved by the ENSC.

Objective 2. Carry out reconciliation/audit of the disclosed statements of companies and government by an Independent Administrator

All the activities developed to address this objective were planned to be carried out in 2015.

Objective 3. Develop mechanisms to enable all citizens of Ethiopia to access all information regarding the extractive industry

1. Different workshops and trainings were held at Federal and Regional levels to create awareness of the fiscal regimes including mining proclamations & acts, license and contract administrations.
2. Since the first EEITI report is expected to be issued in early 2016, payments made by the companies to the Government and revenues collected by the Government were not yet disseminated. This activity was planned to take place in 2015.

Objective 4. Establish a forum for the government, civil society and the extractive industries in Ethiopia

1. The formation of the ENSC has provided a working platform for the Government, CSOs and extractive industries for dialogues with regard to sustainable natural resources governance.

2. A national workshop on **Transparency and accountability in Natural Resources Governance** was held in Adama from December 25 – 26, 2014 involving representatives from the civil society, extractive industries and relevant Government offices drawn from the Federal and Regional States. This workshop was supported by the Ministry of Mines, Ethiopia and UNDP.

- 2.1. The overarching objectives and principles of EITI were reiterated by H.E. the Minister and chairman of ENSC, H.E. Minister Tolessa Shagi and Ethiopia has committed itself to uphold these core values of EITI.

- *Building trust and mechanisms for dialogue among the multi-stakeholders;*
- *Establishing means of communicating the expenditures of mineral resources revenues to the communities;*
- *Fostering transparency and fair rules to create attractive investment climate in this sector;*
- *Promoting the collection of revenues from natural resources which in turn support the building of infrastructures throughout the country;*
- *Ensuring that nationals are fairly benefiting from their natural resources; and*
- *Ensuring sustainable peace and development.*



Excerpt of the speech by H.E. Minister Tolessa Shagi and Chairman of ENSC

.....by and large, Ethiopia is an agrarian country. But nowadays, the mining sector is becoming a promising economic growth stimulus for Ethiopia. Now, it is a challenge to convert this natural resources wealth to social development without paying a due attention to integrating transparency, accountability and good governance into the operations of this sector. Therefore, the implementation of EITI is not an option but a necessity for Ethiopia to further consolidate its ongoing similar initiatives at different levels of the Government structure. EEITI is a country owned process and the Government of Ethiopia is committed to work with all multi-stakeholders to harness the effective implementation of this process.

- 2.2. This workshop is part of the pre-planned activity of the Work Plan with the main objective of creating awareness for the stakeholders at Federal and Regional levels to upscale the implementation of EITI in Ethiopia to achieve an EITI complaint status. The representatives of the Regional States were



Excerpt of the speech by Mr. Merga Kenea, EEITI IS leader

.....Ethiopia has a long mining history but the contribution of this sector to the national growth has remained insignificant over years due to a lack of appropriate policy directions. But this has changed recently and investments in this sector are mushrooming at a geometric scale. This workshop has two objectives. First, it engraves the principles and objectives of EITI implementation in Ethiopia in the working environment of the stakeholders to increase support for EEITI. Second, it creates awareness in advance for Government entities and extractive industries about the need to disclose payments from mineral revenues as the ENSC will soon embark on a selection of an Independent Administrator for reconciliation. The concerted activities of all stakeholders of the EEITI matter in Ethiopia's effort to become an EITI complaint country.

from the Mining Bureaus, Revenue and Customs Authority, General Auditors and Environmental Protection Agencies.

- 2.3. A handful of presentations on various aspects of issues related to transparency and accountability in minerals, oil and gas resources governance were made by the participants. An overview of the existing environmental safeguard mechanisms, revenue management, national audit practices, licensing minerals at regional levels and minerals, oil and gas potentials of Ethiopia were presented at this workshop. A total of 144 participants from CSOs, extractive industries, Federal and Regional Government entities such as mining sector, audit bureaus, environment and social development offices, finance and administration offices and Revenue and Customs offices. The group consists of CSOs which are non-profit making organizations, the Extractive companies which are profit making and the Government which is the administrator.



H.E. Minister Tolessa Shagi and H.E. State Ministers Dr. Alemu Sime and Mr. Tewodros G/Egziabher attending the national workshop on Transparency and Accountability in Natural Resources

- 2.4. As part of the effort of ENSC to learn from the experiences of EITI implementing countries, Mrs. Zainab Ahmed of the NEITI head has participated in this national workshop on the roles of EITI for natural resources management in Ethiopia.



Mrs. Zainab Ahmed, Head of the NEITI and EITI multi-stakeholders attending the national workshop on Transparency and Accountability in Natural Resources

Group discussions were held targeting sharing of experiences among the Regions to increase awareness and support for the implementation of EITI in Ethiopia in general. The points for the discussions were presented in the following forms.

- How can these various stakeholders having such different objectives come to a table on an equal level and trust to work together with regard to implementing EITI?
- What are the roles of each group of the stakeholders in the EITI implementation process?
- Why are good governance and transparency in the minerals, oil and gas sectors important for you?

These points were discussed in small groups and later presented by representatives of each of them to all the participants of the workshop for further deliberations.

3. A workshop was conducted on the **Ethiopian Extractive Industries** focusing on **Ethiopia's Growth and Transformation Plan** from October 7-8, 2014 in Addis Ababa. The Workshop was organized by the Ministry of Mines and the World Bank. It was funded by the major development partners of Ethiopia.

- 3.1. The core objective of this discussion forum was to increase awareness of the multi-stakeholders with regard to the opportunities and challenges of extractive industries of Ethiopia and share good international practices in sustainable natural resources governance.
- 3.2. This forum has involved broad-based representation of stakeholders drawn from the Government, national and international CSOs, extractive industries (large and small) and major development partners, namely, The World Bank Group, the Australian Government, the Department of Foreign Affairs, Trade and Development Canada, the UK Department for International Development, the United Nations Development Programme and the African Minerals Development Center. A total of 100 participants have attended this workshop.
- 3.3. A number of presentations were made on different aspects of Ethiopia's extractive industries related to natural resources governance, implementation status of EEITI, minerals, oil and gas potentials of Ethiopia and experiences of CSOs and extractive industries in working with the Government.
- 3.4. Panel discussions involving CSOs, extractive industries and the Government of Ethiopia were conducted.
- 3.5. This forum has attracted both national and private mass media outlets and has gained a wide media coverage. Some examples are given below.
 - <http://www.worldbank.org/en/news/press-release/2014/10/07/ethiopia-extractive-industries-forumconvenes-experts-to-maximize-the-contribution-of-extractive-industries-to-ethiopias-sustainabledevelopment>
 - <http://www.thereporterethiopia.com/index.php/in-depth/indepth-business-andeconomy/item/2604-enhancing-the-contribution-of-the-mining-sector>.
 - <http://www.ventures-africa.com/2014/10/ethiopias-mining-industry-worth-5bn/>
 - <http://www.busiweek.com/index1.php?Ctp=2&pl=2037&pLv=3&srI=%2054&spl=&cl=11>.



H.E. Minister Tolessa Shagi, major development partners, representatives of the CSOs and extractive industries and Government entities attending a national workshop on Ethiopia' s GTP and its extractive industries

4. The ENSC and EEITI IS have vigorously worked to extend EEITI activities to the **Regional (sub-national level)** through facilitating **Stakeholders' discussion forums**. Such a sub-national level outreach Program was held in Afar Regional State in December 2014.

4.1. Representatives from the Government, civil society, extractive industries and artisanal mining have participated in this outreach program. H.E. the State Minister, Dr. Alemu Sime has addressed the stakeholders and stressed the importance of a fully and proactive participation of all parties in the implementation of EEITI.



H.E. State Minister Dr. Alemu Sime and vice chairman of ENSC

.....the mining sector plays pivotal roles for the realization of the objectives of Ethiopia's Growth and Transformation Plan. Ethiopia is endowed with natural resources wealth and we need to ensure that the people benefits from it. EITI implementation is a means to empower the stakeholders and the public with regard to transparency in this sector.

4.2. The objective of this forum was to increase sub-national level awareness and support to further enhance effective implementation of EITI in Ethiopia and extend EEITI activities to the Artisanal Mining Sector as well.



H.E. State Minister Dr. Alemu Sime and H.E. the President of Afar Regional State attending the EEITI outreach program



EEITI multi-stakeholders attending EEITI outreach program in Afar Regional State

5. The ENSC has conducted a sub-national level outreach Program at Benshangul-Gumuz December 2014 to create awareness about the progresses and implementation status of EEITI and sustainable natural resources governance at large. This outreach Program has mainly focused on Artisanal Mining Sector of this Regional State.



H.E. State Mister Dr. Alemu Sime and members of ENSC attending EEITI outreach program in Benshangul-Gumuz Regional State



EEITI outreach program participants in Benshangul-Gumuz Regional State

Objective 5. Establish transparency and accountability for sustainable management of minerals, oil and gas resources in view of the projected major contribution of these sectors to socio-economic development of Ethiopia

1. The implementation of EITI in Ethiopia will lead to the disclosure of minerals, oil and gas transactions between the Government and the extractive industries.
2. A large number of extractive industries have voluntarily participated in the implementation of EEITI and willing to disclose payments generated from natural resources revenues to the Government.
3. The government entities to disclose the payments received from the companies due to natural resources revenues were identified. Reporting companies and materials were also identified.
4. EEITI has created opportunities for a dialogue among the multi-stakeholders and improved active engagement of the local communities with regard to how the revenues generated from the uses of natural resources are spent by the Government. This was clearly manifested during the Benshangul-Gumuz (which is one of the most resources rich region) and Oromia sub-national level outreach programs.

3. Assessment of Performance against targets and activities set out in the Work Plan²

1. The EEITI has developed its 2014 – 2015 Work Plan targeting financial resources from the Government of Ethiopia, Multi-Donors' Trust Fund through a coordination by the World Bank Group and other development partners. It has been envisaged that the Government of Ethiopia will cover all administrative costs in addition to its contribution to the activities of the implementation of EEITI. Technical assistances from the EITI International Secretariat were also anticipated to fully implement the Work Plan.
2. **The objectives of the EEITI's Work Plan:** the 2014 – 2015 Work Plan of EEITI has envisaged five major objectives. Achievements and progresses for each of these EEITI Work Plan objectives are presented below.

Objective 1: Capacity building for EEITI multi-stakeholders and ENSC

1. **Awareness creation activities for all EEITI Stakeholders (regional and national) including the local communities with regard to the development of the mineral sector of Ethiopia and the need for EITI implementation within one year (in addition to the above mentioned workshops and trainings)**

A stakeholders' workshop was held in Bishoftu in May 2014 to discuss the progress of the implementation of EEITI. A total of 60 participants from CSOs and private and government mass media institutions have attended this workshop. The main objective of this workshop was to raise the awareness of mass media institutions with regard to the principles and progresses of EEITI implementation to enable them to disseminate these information to the public at large on a regular basis. The outcome of this effort was that some Radio Stations such as Radio Fana Broadcasting enterprise has embarked on a regular coverage of the activities of EEITI. Private newspapers such as Reporter and Capital has given a large coverage of the activities of EEITI.

2. **Experience sharing of the ENSC with EITI implementing countries**

The ENSC has invited Mrs. Zenaib Ahmed of the leader of NEITI to share the experiences of Nigeria in implementing EITI. Mrs. Ahmed has presented the Nigerian experiences to all the stakeholders of EEITI in a workshop held in Adama from December 25-26, 2014.

3. **Conduct national and regional conferences/workshops on natural resources management**

Two workshops were held on natural resources management in 2014.

- *Ethiopia's extractive industries forum was held from October 7-8, 2014 in Addis Ababa. This forum has drawn 100 representatives from a wide range of civil society, extractive industries, the government, including regional and major development partners. Various issues related to sustainable natural resources governance, prevailing environmental and social issues in the context of the experiences of the extractive companies and the civil societies were presented and discussed in details.*

²Details of the activities of the EEITI ENSC's Work Plan 2014 – 2015 are given in **Annex 2** of this Annual Activity Report. Narrative accounts of the progresses of the activities are given in this section.

- *A natural resources governance workshop was held from December 25-26, 2014 in Adama where a total of 144 representatives from the regions, CSOs and extractive industries have taken part. It also enable regional governments to share experiences related to the management of mineral licensing, record keeping and revenue management.*
- *EEITI outreach programs were conducted at two Regional States (Afar and Benshangul-Gumuz) involving artisanal miners. A total of 50 and 70 participants representing the highest regional Government official, extractive companies and relevant Regional Bureaus have attended these programs in both Afar and Benshangul-Gumuz, respectively. The state Minister and vice-chairman of the ENSC, H.E. Dr. Alemu Sime and members of the ENSC have taken part in both events.*

4. Capacity building of for the ENSC and IS by the international Secretariat and development partners

A training on the overview of the extractive industries value chain and new standards was given to the ENSC and IS on August 19, 2014 at Kaleb Hotel, Addis Ababa by the EITI Internatioanal Secretariat. A total of 24 participants have attended this workshop.

5. Strengthen EEITI IS office infrastructure

The Ministry of Mines has supported this activity of EEITI. Furthermore, the Ministry has deployed adequate office space from its furnished new building for the use by EEITI IS.

6. Employment of finance and procurement experts for EEITI IS

Two experts (Finance and Procurement) were employed to assist the EEITI Implementation Secretariat to further improve its day-to-day activities.

7. Identification of domestic and international funding for the implementation EEITI activities

The ENSC has exerted a concerted effort to solicit funding to undertake the 2014 planned activities of EEITI. To this end, it has secured funding for most of its activities from its major development partners such as the World Bank and UNDP. The financial contributions of the Government of Ethiopia related to the day-to-day running cost of and office space and IT equipment for the IS were significant.

8. Experience sharing with other EITI implementing countries were not conducted due to the limitation of funding.

Objective 2: Enable EEITI to be governed by law

1. Publish and popularize a simplified version of an EEITI Act that governs the Government, companies and CSOs

This is work in progress and has been planned to be achieved in 2015.

2. Publish an overview of the existing laws and regulations governing mineral, oil and gas sector of Ethiopia for stakeholders'

The EEITI ENSC has regularly addressed limitations of the existing laws and regulations of minerals, oil and gas for the implementation of EEITI during its workshops and forums. A study by the ENSC on the study of Minerals Licensing and Administration and contract management was published in January 2014. The main objective of this study was to assess the management of

licenses in mineral explorations, mineral development and issues pertaining to contracts with the companies in the framework of the implementation of EEITI. The following points were covered in this published study.

- Issues pertaining to the issuance of licenses in base metals, construction minerals and industrial minerals such as potash;
- Assessment of the responsibilities and power of the Ministry of Mines and its Mineral Licensing and Administration Directorate;
- Bid announcement;
- Issuance of licenses for the oil and gas resources of Ethiopia; and
- The responsibilities of petroleum exploring companies in developing basic social infrastructure for the local communities.

Objective 3: Effective Promotion/Communication for EITI implementation

3.1. Conduct an official launching of Ethiopia's EITI candidate status

1. Over 140 participants from various federal and regional offices, CSOs, extractive industries, development partners and a handful of dignitaries including Ministers have taken part in the **Ethiopia's EITI candidate launching conference held on June 17, 2014** in Addis Ababa.
2. The Launching conference of Ethiopia's EITI candidate status was much awaited and a colorful event.
- 2.1. The President of the FDRE, H.E. Dr. Mulatu Teshome has officially opened Ethiopia's EITI candidate status launching conference.



.....in his speech, H.E. Dr. Mulatu Teshome stressed the vision of GTP and that the Government has given the highest priority for mineral sector development. Although Ethiopia has a large mineral resources potential, previous policies of Ethiopia and development directions have served as a bottleneck successfully stunting the development of this sector and discouraging investments. It is nowadays a common experience where a natural resources curse has aggravated internal conflicts heralding sustainable poverty in some countries. It is, thus,

timely to embark on the implementation of an initiative such as EITI to foster transparency, accountability and good governance in mineral sector of Ethiopia. I would like to reaffirm the commitment of Ethiopia to work with the civil society and other stakeholders to ensure their full and active participation in the implementation of EITI. The EEITI's effort for the last years are commendable and have bear a fruit.

- 2.2. The Minister of the Ministry of Mines, H.E. Tolessa Shagi has delivered a welcoming speech to the participants and dignitaries.



.....H.E. Minister Tolessa Shagi has reiterated the Government’s vision and extensive engagements to assure the wellbeing of its citizens. The overarching goal of GTP in relation to the mineral sector is to vigorously promote investments so that this sector meaningfully contributes to the economic development of the country. He has also provided a bird’s eyevew of the mineral

potentials of Ethiopia and investment activities. EITI is an indispensable tool to fight rent seeking and harness the principles and practices of transparency, accountability and good governance to which Ethiopia has already committed itself. Although it is not an EITI sign-up requirement, Ethiopia has published its first ERT report. The time has now come for all stakeholders to work in a concert to meet deadlines where our next engagement with the EITI Board determines our status as an EITI complaint country. We have planned to undertake various activities and the development of a legal framework for EEITI is one of the key activities.

- 2.3. The Representative of the extractive industries operating in Ethiopia, Mr. Abraham Tadesse, has emphasized that a full and active participation of companies in the implementation of EITI



has imense impacts on the outcome of Ethiopia’s next Application for an EITI complaint status. We need to commit ourselves to work in synergies with the other EEITI stakeholders to this end.

Excerpts of the speech of Mr. Abraham Tadesse

..... in addition to its continuous and sustainable economic growth over a decade, Ethiopia is now an EITI candidate country as well. The lessons learned, in our long journey to this result, clearly show that a coordination of activities and joint effort are inevitable if Ethiopia should gain an EITI complaint status. The

extractive industries have a strong belief and commitment to fully and actively participate in the EITI implementation. Furthermore, I am of the opinion that the Ethiopian Government will once again reaffirms its commitment to work with all stakeholders by enacting an EITI law to straighten the implementation of EEITI. As we have to ensure transparency and good governance in license and contract administrations, mining laws, taxation laws and regulations, companies believe that it will create the opportunities to utilize the natural resources in a peaceful and sustainable way.

- 2.4. The representative of the Civil Society Organizations, Mr. Eyasu Yimer, has raised pertinent issues with regard to the existence of a common and functional platform for the civil society and the Government to fully implement EITI in Ethiopia.



....welcoming Ethiopia's EITI candidate status, he has emphasized on the need to appreciate the level of the seriousness of understanding the existence of working spaces for the civil society to work with the Government in a full and proactive manner to effectively implement EEITI. The CSOs strongly believe that the EEITI process has created a sustainable platform for them to raise public issues and

hold debates with the Government with regard to transparency, accountability and good governance in the mineral sector of Ethiopia and its contribution to community development. It is our belief that the Proclamation on the Registration and Regulation of Charties and Societies in Ethiopia should not be viewed as a barrier to the implementation of EEITI.



H.E. the President of FDRE, Dr. Mulatu Teshome, H.E. Minister Tolessa Shagi and H.E. State Minister Tewodros G/Egziabher of the MQM attending Ethiopia' s EITI candidacy launching conference

2.5. Finally, a cake cutting ceremony was held to rather make the event colorful.



H.E. Minister Tolessa Shagi and H.E. State Minister Tewodros G/Egziabher of the MOM are holding a cake cutting ceremony during Ethiopia EITI candidacy launching conference

- 2.6. Following the decision of EITI Board on the Application of Ethiopia for a candidate status, the ENSC has made a **Press release** for a wider circulation of the information.

“...it is a recognition of the hard work of our EEITI multi-stakeholders” said H.E. Tolessa Shagi, Minister of the Ministry of Mines and chairman of ENSC.

“.....all stakeholders of EEITI have been actively involved to date, now the EEITI’s multi-stakeholders continue to work to further consolidate the achievements gained in fostering transparency, accountability and good governance in minerals, oil and gas sectors of Ethiopia ” said Mr. Merga Kenea, the Head of the EEITI Implementation Secretariat.

3.2. Promote EITI implementation through mass media such as Radio, TV and audio video

This activity was usually undertaken during EEITI's workshops and discussion forums where private and Government mass media institutions were invited to cover the events. Interviews with the multi-stakeholders, senior Government official and ENSC members at all events are the main means of promoting EEITI implementation.

3.3. Extend the EEITI implementation process to all relevant Federal, Regional and City Administrations to appoint focal persons

The ENSC has conducted various working visits to Regional and City Administrations to appoint respective focal persons for dissemination of the progresses and implementation objectives of EEITI to their constituencies. To this end, the Heads of the Regional Bureaus working on minerals, oil and gas sectors were appointed as focal persons by ENSC.

3.4. Preparation of detailed documents on the engagements by the Government, CSOs and extractive industries in relation to the challenges of EEITI implementation since the official launching of EEITI

The ENSC has developed a mechanism where it produces an internal quarterly report with regard to EEITI implementation and the overall performance of the EEITI IS. These reports usually outlined the progresses of EEITI implementation, issues that require further attentions and outstanding challenges.

3.5. Publish the procedure for license allocations

The ENSC has closely worked with the Mineral and Petroleum Licensing and Administration Directorates with regard to license allocations. As a result of this joint effort, the Directorates have taken corrective measures for issues which have emerged during these engagements. The immediate impact was the revocation of 28 licenses.

3.6. Produce and distribute EEITI promotional materials e.g. stickers, fliers, bags, magazines and pens every quarter of the year

The EEITI ENSC has always used workshops and forums to distribute its promotional materials to its multi-stakeholders and the public at large. Bags, T-shirts and caps were distributed to workshop participants by the ENSC to promote the implementation of EEITI through raising awareness among its various stakeholders.

3.7. Develop EEITI's website and social media, e.g. Facebook

- *The Webpage of EEITI is hosted by the MoM and this served the EEITI to disseminate information and progresses to a wider audience. It has been actively and effectively used.*
- *The establishment of a social media is work in progress and has been planned to be achieved before the deadline for the publication of the first EEITI report. In the meantime, EEITI is using the official website (<http://www.mom.gov.et/Extractivindustry.aspx>) of the Ministry of Mines to post its activities and current status of EEITI implementation.*

3.8. Undertake outdoor advertising of EITI implementation through billboards, banners and artistic yet attractive characters at various public and private places

This activity is under consideration due to the limitation of funding.

3.9. Identify different observers from different relevant institutions to participate in the quarterly meetings of the ENSC

This activity is under arrangement to be implemented in 2015.

3.10. Promote EEITI implementation through Drama and Music

This activity is under consideration and financial limitation is the major factor leading to this situation.

Objective 4: Fulfillment of the EITI Requirements

4.1. Create an enabling environment for the participation of the CSOs in EITI implementation for developing an appropriate action plan to address them

An identification of target areas through the establishment of the CSOs forum or network or coalition to further enhance their participation has been extensively deliberated on by the ENSC. This issue has been extensively discussed by the ENSC during its quarterly meetings. The major outcome of these deliberations was the agreement for the establishment of the CSOs General Assembly in the near future.

4.2. Define the scope of the 2014 EEITI's Annual Activity Report and develop its Terms of Reference

The ENSC has drafted, discussed and approved the scope and Terms of Reference for the preparation of the 2014 EEITI Annual Activity Report. .

4.3. Produce the EEITI's Annual Activity Report According to the TOR

The EEITI Annual Activity Report was produced as planned for its due publication on July 1, 2015.

Objective 5: Monitoring and evaluation

1. Conduct quarterly meetings of the ENSC to deliberate on issues related to EEITI implementation

The ENSC has met four times on a quarterly basis in 2014. All meetings were attended by almost all members of the ENSC except that wo t its members have missed two meetings each.

2. Investigate and ensure that all contract signed and licenses awarded are according to the existing minerals, oil and gas laws

The ENSC has closely worked with the Mineral and Petroleum Licensing and Administration of the Ministry of Mines and Regional States on issues pertaining to license allocation. The effort has prompted this regulatory bodies to re-examine license allocation procedures which lead to a revocation of 28 licenses.

3. Assess and identify any potential obstacles, legal and administrative, to EEITI implementation

The ENSC has regularly discussed about the importance of a legal statue that obliges extractive companies to report the payments due to the use of natural resources and the Government entities as well. The ENSC has recognized the need for a gap assessment of the laws and regulations governing Minerals, oil and gas sectors and the development of an EEITI law in the near future.

4. Establish two sub-committee (technical and sensitization)

The ENSC has established a technical sub-committee consisting of representatives from the CSOs, extractive industries and the Government to facilitate efficient accomplishment of its planned activities. The technical sub-committee usually meet multiple times within each quarterly to prepare working ground for discussions and approvals by the ENSC. The establishment of a sensitization sub-committee is under consideration.

5. Conduct an inclusive representation or nomination of the Multi-stakeholders Group to lead the initiative for the next three years

The ENSC has worked with companies, artisanal miners and relevant Regional Government bodies to assess the impacts of mining operations on the environment and child labor. The absence of due attention to environmental degradation and extensive use of child labor was

recorded and further discussed with relevant stakeholders to establish appropriate management plan.

- 6. Investigate the impacts of mining operation on the environment, communities and the degree of mitigation made by companies and the Government**



- 7. Conduct a work visit to three large mining operation sites jointly with the tripartite groups**

This activity was not undertaken due to the limitation of funding.

- 8. Produce, publish and disseminate comprehensive annual EEITI document**

This activity was not undertaken due to the limitation of funding.

4. EITI Activities conducted beyond the Work Plan

1. A certificate of the recognition of the contributions of the members of ENSC on a long way to the EITI candidate status was awarded during the launching conference held on June 17, 2014.
2. The ENSC has hired a consultant to prepare a charter for the internal administration of the ENSC and its Implementation Secretariat.





H.E. Dr. Mulatu Teshome, the president of FDRE, H.E. Minister Tolessa Shagi, H.E. State Minister Tewodros G/Egziabher and members of ENSC

3. Linking EEITI with similar initiatives such as CoST (Construction Sector Transparency, Federal Ethics and Anti-corruption Commission) and the Ministry of Environment and Forest.
 - *EEITI has established working relationships with Construction Sector Transparency - Ethiopia (CoST - Ethiopia) housed at Federal Ethics and Anti-corruption Commission.*
 - *EEITI has a strong link with ECDD of the Ministry of Mines, which is in turn has been delegated by the Federal Ministry of Environment and Forest to deal with environmental and social governance related to extractive industries.*

4. Define and agree on the level of disaggregation and materiality of reporting (material companies and payments)
The ENSC has already defined and approved the level of disaggregation and materiality for reporting.
5. Define and agree on the scope of the EEITI's Report for the Independent Administrator (Auditor)
The scope of the EEITI Report has been discussed and approved by ENSC.

5. Assessment of performance against EITI Requirements

The ENSC has drafted and approved its activities conforming to the requirements of EITI and aiming at meeting them. The effort of EEITI since the approval of Ethiopia as an EITI country is given for each of the requirements. The deadline for the first EEITI report is in early 2016.

Requirements	Progress
<p>1. Effective oversight by the multi-stakeholder group</p>	<p>ENSC has adopted a system where it holds regular meetings to discuss and decide on key issues related to EITI implementation. It has also instituted a system where an ad-hoc technical committee assists its activities. Examples of key decisions made by the ENSC are given below.</p> <ul style="list-style-type: none"> • <i>Drafting and Approval of the objectives of EEITI</i> • <i>Approval of EEITI's Work Plan</i> • <i>Monitored and evaluated the implementation and progresses of the targets identified in the Work Plan for 2014</i> • <i>Determination and approval of stakeholders capacity building Program</i> • <i>Determined the scope of EEITI's Annual Activity Report</i> • <i>Approved capacity building program for the staff members of the EEITI IS on project management, communication, finance and procurement</i> • <i>Solicited EEITI IS office space, equipment and funds for its day-to-day running costs</i> • <i>Solicited funding sources for undertaking the 2014 planned activities</i> • <i>Published the general overview of the existing minerals, oil and gas laws and regulation of Ethiopia and evaluated their roles for EEITI implementation</i> • <i>Extended EEITI implementation process to Regional States and appointed the Heads of Bureaus dealing with minerals, oil and gas sectors as focal persons for raising the awareness of their constituencies to improve the implementation of EEITI</i> • <i>Identified challenges for the implementation of EEITI and recognized the need for the preparation of a legal framework for EEITI (EEITI Law)</i> • <i>Worked closely with minerals, oil and gas sector regulatory bodies at Federal and regional levels with regard to license allocation</i> • <i>Used the official website of the Ministry of Mines for disseminating information at a wider scale</i> • <i>Drafting and approval of TOR for the preparation of Annual Activity Report</i> • <i>Determined and approved companies and</i>

financial flow to be included in the EEITI's Report

- *Conducted national workshops on natural resources transparency for CSOs, extractive industries and relevant Federal and Regional Government entities*
- *Awareness creation for CSOs and mass media institutions*
- *Conducted EEITI outreach programs at two Regional States focusing on Artisanal Mining sector*
- *Conducted an official launching of Ethiopia's EITI candidate status*
- *Promoted EEITI implementation through major private and government mass media institutions*
- *Approved the employment of finance and procurement experts to support the EEITI IS*
- *decided and conducted stakeholders' forum to increase awareness and ensure full and proactive participations of all parties for effective implementation of EITI*
- *the ENSC has met on a quarterly basis to deliberate on the progresses and challenges of EEITI implementation to further refine its approaches*
- *established a technical sub-committee representing the CSOs, extractive industries and the Government*
- *conducted a refreshment program to replace the serving members of the ENSC*
- *conducted a joint study the impacts of mining operation on the environment and communities with relevant regional offices it its effort to advance the idea of a sustainable natural resources governance*

2. Timely publication of EITI Reports

Not yet Applicable. But financial flow, types of companies for inclusion in the report and the Independent Administrator have been already identified and approved by the ENSC.

The deadline for the first EEITI Report is in early 2016.

3. EITI Reports that include contextual information about the extractive industries

Not yet applicable but it is now an ongoing activity. The ENSC has discussed about the need to embark on this activity and some activities are underway focusing on the way forward to produce contextual information on extractive industries operating in Ethiopia.

The deadline for the first EEITI Report is in early 2016.

4. The production of comprehensive EITI reports that includes full government disclosure of extractive industry revenues, and disclosure of all material payments to government by oil, gas and mining companies

Not yet applicable. It is to be noted that the ENSC has already identified and approved the final list of the reporting entities

<p>5. A credible assurance process applying international standards</p>	<p>Not yet applicable. Bid will be announced by ENSC to select an IA</p>
<p>6. EITI reports that are comprehensible, actively promoted, publicly accessible, and contribute to public debate</p>	<p>Not yet applicable. Communication strategies for the dissemination is ongoing activity. EEITI will also draw on its experiences acquired during the dissemination process of its first Ethiopian Revenue Transparency Report. The deadline for the first EEITI Report is in early 2016.</p>
<p>7. The multi-stakeholder group to take steps to act on lessons learned and review the outcomes and impacts</p>	<p>Not yet applicable. EEITI is currently at its implementation phase. The ENSC is optimistic that upon the publication of the EEITI report, it will take necessary steps to act on the lessons and recommendations emerging during discussing the report.</p>

6. Overview of the multi-stakeholder group's responses to the recommendations from reconciliation and validation

- Not yet applicable. The ENSC will announce a bid to select an Independent Administrator for reconciliation of payments by the Companies to the Government.

7. Any specific strengths and weaknesses identified in EITI process

7.1. Effort to strengthen EITI implementation

1. The EEITI has vigorously worked to identify bottlenecks related to uniform **record keeping systems of revenues generated from minerals, oil and gas at both federal and sub-national levels**. Various awareness creation forums were conducted and have been planned to be undertaken in the near future as well.
2. The activities of EEITI have been **extended to sub-national levels (Regional States)** with regard to creating platforms for a dialogue and experience sharing exercises to enhance the implementation of EITI in Ethiopia.
3. Although EITI is a voluntary based initiative, EEITI has recognized the importance of implementing EITI in Ethiopia within its own legal framework. To this end, EEITI will embark on the **preparation of EEITI law** in the near future.
4. The EEITI has taken concrete steps for **extending its scope to the Artisanal Mining sector** of Ethiopia to create opportunities for the artisanal miners to participate in the implementation of EITI. In an Ethiopian context, ASM has been recognized and a great deal of emphases have been given to this sector by the Government. The artisanal miners have been organized into cooperatives and unions in their respective sub-nationals. The Government has established a transparency mechanism in this sector whereby the products of the artisanal miners are purchased by representatives of the National Bank of Ethiopia. Gold products originating from the artisanal mining are usually refined in Switzerland and enter the international market for a sale. This sector plays major roles in alleviating rural poverty and involves more than 1 million artisanal miners across the mineral resources belts of Ethiopia.
5. The EEITI has demonstrated its strong **commitments to create opportunities for dialogue and proactive participation of all stakeholders** in issues related to sustainable natural resources governance and transparency in minerals, oil and gas sectors.
6. The EEITI has established strong and solid **working relationships with similar initiatives in Ethiopia, for example, Construction Sector Transparency – Ethiopia (CoST-Ethiopia), Federal Ethics and Anti-corruption Commission**. The established experience sharing forums are critical inputs for harnessing transparency in the minerals, oil and gas sectors of Ethiopia and enhancing effective and robust implementation of EITI in Ethiopia.
7. The EEITI has demonstrated its **strong commitment to work with the EITI Board and International Secretariat** to establish a solid working environment that fosters full and active participations of all parties involved in the implementation of EITI in Ethiopia. To this end, the chairwoman of the EITI Board, **H.E. Mrs. Clare Short** and **Mr. Samson Tokpah lydiya Kilpi**, member of the International Secretariat have **visited Ethiopia from November 3-5, 2014** to assess EEITI implementation progress.

The team has held various meetings with the ENSC, EEITI IS, *H.E. Minister Tolessa Shagi*, State Ministers *H.E. Dr. Alemu Sime* and *H.E. Mr. Tewodros Gebrezgabihier*, Ministry of Mines, H.E.

Dr. Mulatu Teshome, President of the Federal Democratic Republic of Ethiopia, *H.E. Minister Sofian Ahmed*, Ministry of Finance and Economic Development and the World Bank. EEITI implementation progress was presented to the Chairwoman.

7.2. Weaknesses

1. Funding limitations and uncertainties could constrain the planned activities of EEITI.
2. Record keeping of revenues of minerals, oil and gas is not the same across the extractive industries and these revenues are also not separately managed by relevant Government body.
3. More technical assistance need to be given to the reporting entities at regional level.
4. Sometimes, there have been an overlapping responsibilities between the Federal and Regional Governments in revenues collection.



Meeting events of H.E. Mrs. Clare Short in Ethiopia: A - B, meeting with the Minster and State Minsters of the Ministry of Mines; C, meeting with the ENSC; D, meeting with the representatives of the Civil Society Organization.

8. Total Cost of implementation for year 2014

1. EEITI has secured funding from various development partners for the implementation of EEITI. The Government of Ethiopia has also funded the activities of EEITI.
2. EEITI implementation activities were funded by the World Bank.
3. The following table presents the activities and their respective work plan budget, overturn cost and the contributors.

Activity	Work Plan cost (Budget)- US Dollars	Overturn cost (US Dollars)	Contributors
<i>Conduct National and Regional EEITI conference on the Natural Resource management</i>	50,000.00		WB, UNDP
<i>Awareness creation for civil society, local communities, government entities, business sectors and key media institutions</i>	150,000.00		WB, UNDP
<i>Arrange experience sharing program for the ENSC members and IS staff to the best EITI implementing countries</i>	40,000.00		WB
<i>Awareness creation for Artisanal Miners</i>	20,000.00		WB, UNDP
<i>Recruitment of a procurement expert to support EEITI IS</i>	15,000.00		WB
<i>Recruitment of Financial Management expert to support EEITI IS</i>	10,000.00		WB, Government
<i>EEITI IS office infrastructure</i>	80,000.00		WB
<i>Training on project management, procurement and communication for the staff of EEITI IS</i>	5,000.00		WB, Government
<i>Publication of a simplified/popular version of EEITI law</i>	5,000.00		WB
<i>Publication of an overview of the existing minerals, oil and gas laws , regulation and policies in the context of the responsibilities of the Government</i>	2,000.00		Government
<i>Extend the scope of EEITI to regional States and administrative cities to enable them appoint an EEITI focal persons</i>	6,000.00		WB, Government
<i>Involve ex-officio from different international organizations and academicians to participate in the meetings of the ENSC</i>	3,000.00		WB, Government
<i>Preparation of a detailed document on the engagement of the Government, CSOs and extractive industries; challenges in the implementation of the implementation process of EEITI since its official launch</i>	2,000.00		
<i>Conduct an official launching of Ethiopia's EITI candidate status</i>	3,000.00		WB
<i>Publish minerals, oil and gas license allocation procedures</i>	5,000.00		Government
<i>Awareness creation for EEITI in different forms (T-shirt, stickers, pens,</i>	20,000.00		WB

<i>newsletter and promotional materials)</i>			
<i>Promotion of EEITI through mass media outlets (TV, Radio)</i>	10,000.00		WB
<i>Promote EITI implementation through art (drama and music)</i>	20,000.00		WB
<i>Create an official social domain for EEITI (website, Facebook page)</i>	5,000.00		WB
<i>Undertake outdoor promotion of EITI implementation in Ethiopia</i>	4,000.00		WB
<i>Create an enabling environment for all stakeholders in general and CSOs in particular for a full participation in the EEITI implementation</i>	10,000.00		
<i>Publish an Annual Activity Report outlining the activities of ENSC and all EEITI stakeholders starting from the inception of EITI implementation in Ethiopia to the launching of Ethiopia as an EITI candidate country and beyond</i>	30,000.00		WB
<i>Hold ENSC's meetings four times a year</i>	10,000.00		WB, Government
<i>Arrange an annual public debate on issues related to EITI implementation</i>	7,000.00		WB
<i>Assess the needs and barriers to the participation of the CSOs in EITI implementation for developing an appropriate action plan to address them</i>	1,000.00		WB, Government
<i>Assessment of the level of compliance of licensing activities in the framework of the existing laws and regulations</i>	3,000.00		Government
<i>Establish two sub-committee (technical and sensitization sub-committee)</i>	5,000.00		Government, WB
<i>Conduct election of new members of the ENSC to replace the serving members</i>	2,000.00		Government
<i>Assessment of the impacts of the mining operations on the environment and local communities and the level of mitigation measures of the extractive industries</i>	10,000.00		WB
<i>ENSC to agree on the level of disaggregation and materiality for reporting (material companies and payments)</i>	1,000.00		Government
<i>ENSC to conduct a working visit to three large mining sites</i>	10,000.00		WB
<i>Produce, publish and disseminate comprehensive annual EEITI document</i>	10,000.00		WB
Total	554,000.00		Government, WB, UNDP

9. Has this activity report been discussed beyond the MSG?

This annual activity report was presented to and discussed with Government entities working on natural resources and some CSOs on June 20, 2015. The evaluation and recommendations during this workshop was included in this annual activity report.

Approved by ENSC: June 28, 2015.

Contact us

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Ministry of Mines

Addis Ababa - Ethiopia

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Visit us on the web at

www.mom.gov.et

10. Detailed membership of the MSG during the period (including details of the number of meetings held and attendance record)

The ENSC has established an ad-hoc technical committee to better expedite its responsibilities. This committee meets 4 times a month to deliberate on various issues related to EITI implementation before present them to the ENSC for discussions and approvals. Key: ● = attended the meeting.

Sr. No.	Name	Title	Organization	telephone	Email	ENSC Meetings								Total
						2014 Quarters				2015 Quarters				
						1 st	2 nd	3 rd	4 th	1 st	2 nd	3 rd	4 th	
Leaders														
1	H.E. Tolessa Shagi	Minster & chairman of ENSC	Ministry of Mines	+251 11 646 3357	MOTiTOLESA@yahoo.com	●	●	●	●					4
2	H.E. Dr. Alemu Sime	State Minister & vice chairman of ENSC			alemu011@hotmail.com	●	●	●	●					4
B. Civil Society Organizations														
1	Mr. Eyasu Yimer	Board Chariman	Transparency Ethiopia	+251 911 685394	Tirat.ti@ethionet.et	●	●	●	●					4
2	Mrs. Tsigereda Zewdu	Vice President	Ethiopian Youth Federation	+251 910 304157	ztisigereda@gmail.com	●	●	●	●					4
3	Mr. Anteneh Abraham	President	Ethiopian National Journalists Association	+251 911 403407	aababanto@gmail.com	●	●	●	●					4
4	Mr. Melaku Tadesse	Team leader	Ethics and Membership Development, CRDA	+251 911 797100	melakut@crdaethiopia.org	●	●	●	●					4
5	Mr. Kassahun Yibeltal	President	Federation of Ethiopian National Association of People with	+251 911 224167	mtgνια@ethionet.et	●	●	●	●					4

			Disabilities												
C: Extractive Industries															
1	Mr. Abraham Tadesse	Manager	Abraham Mining PLC	+251 911 224167	Mec22attn@gmail.com	●	●	●	●						4
2	Mr. Dessu Antawi	Chief Accountant	National Mining Corporation	+251 911 206473	dessuant@yahoo.com	●	●	●	●						4
3	Mr. Henok Sefere	Head	Finance & Administration, MIDROC Gold	+251 911 207543	henok.s@gold.midroc-ceo	●		●							2
4	Mr. Akalu G/Meskel	Head	Procurement, Muger Cement	+251 911 207516			●		●						2
5	Mr. Habtu Hagos	Manager	Afar Salt PLC	+251 9112385 22	habtub@yahoo.com	●	●	●	●						4
D Government															
1	Mr. Mulay Woldu	Director	Ministry of Finance & Economic Development		mulaywel@yahoo.com	●	●	●	●						4
2	Mr. Abebe G/Michael	Advisor	Ethiopia Revenues and Customs Authority		abemkl@yahoo.com	●	●	●	●						4
3	Mr. Tadilo Chokol	Director	Office Auditor General	+251 911 684362	tadilo@yahoo.com	●	●	●	●						4
4	Mr. Berhe G/Sellasia	Senior Expert	Ministry of Mines, Mineral Licensing & Administration		berhegsa@yahoo.com	●	●	●	●						4
5	Mr. Abebe Senbeta	Director	Procurement & Foreign Currency, National Bank of Ethiopia	+251 911 227817	aababanto@gmail.com	●	●	●	●						4

11. Annexes

11.1. Annex A: 2014 EITI Activities

Activity	Date Conducted	Objectives
Natural resources governance workshop: outreach activities to federal and regional level stakeholders	Adama, December 25-26, 2014	<p>Strengthen natural resources management and opened opportunities for discussion to improving the implementation of the existing governance system</p> <p>Create opportunities for the sub-national to discuss issues related to the operations of mining sector in their respective constituencies</p> <p>Improve the understandings of the objectives of EITI implementation and gain support for future activities of EITI</p>
Ethiopia’s extractive industries forum: outreach activities with national and international CSOs, sub-national representatives, extractive industries and major development partners	Addis Ababa, October 7-8, 2014	<p>Strengthen natural resources management and opened opportunities for discussion to improving the implementation of the existing governance system</p> <p>Create enabling environment for the stakeholders to discuss issues related to EITI implementation</p>
Conduct awareness creation for the civil society, Government entities and extractive industries and key media institutions	Bishoftu. May 2014	To create awareness of the private and Government mass media institutions to give a regular coverage for EITI implementation
Experience sharing for the ENSC with the best EITI implementing countries	Adama, December 25-26, 2014	<p>To streamline the experiences to the situation in Ethiopia to improve the implementation of EITI</p> <p>The leader of NEITI has shared the experiences of Nigeria with the ENSC</p>

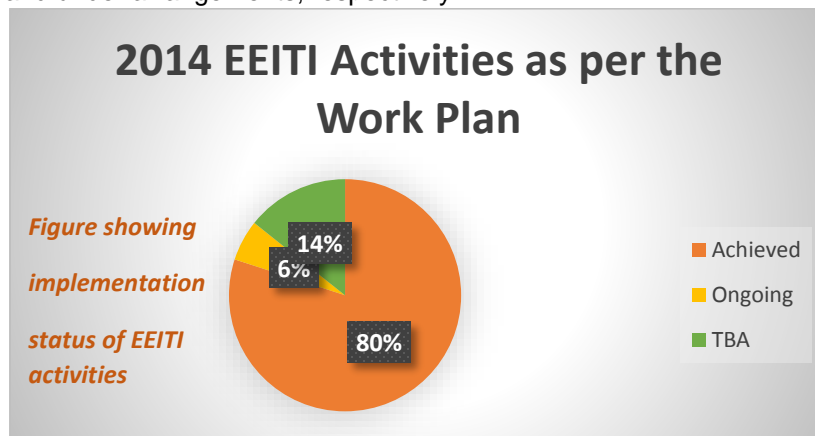
		and wider EEITI multi-stakeholders
Awareness creation for artisanal miners	December 2014	To create awareness of the artisanal miners at the regional levels with regard to sustainable natural resources governance and the implementation objectives of EEITI
Recruitment of finance and procurement experts	October 2014	To support the day-to-day activities of the EEITI IS and ENSC
Identification of domestic and international funding sources	January 2014	To solicit funding for the planned activities of EEITI
Acquisition of EEITI IS office space and equipment	January 2014	To further enhance the activities of EEITI by creating a good working environment
Conduct a training program for the staff of EEITI IS on project management, finance and procurement	August 19, 2014	To improve the skills of the staff of the EEITI IS for the implementation of EEITI
Produce and popularize a simplified version of EEITI Act to govern the Government, CSOs and extractive industries		To facilitate the reporting of the payments and reconciliation process by the IA
Prepare an overview of the regulations and information on the roles of the Government	January 2014	To enable the ENSC and the EEITI multi-stakeholders to assess gaps and take further actions
Extend EEITI implementation process to all relevant Federal, Regional and city Administrations to appoint focal persons	September 2014	To improve the implementation of EEITI at Regional levels and subsequent constituencies
Identify different observers from relevant local and international organizations, academic institutions to attend ENSC's quarterly meetings		To demonstrate the level of transparency in the operations of the EEITI multi-stakeholders
Prepare a detailed document on the engagement of the Government, CSOs and extractive industries; challenges in the implementation of EEITI since its official launch	December 2014	To enable the ENSC to assess the progresses of the implementation of EEITI and limitations that require further attentions
Ethiopia's EITI candidate status launching conference: Awareness	Addis Ababa, June 17, 2014	Create awareness about the status and progresses of the implementation

creation at a wider scale		of EITI in Ethiopia
		Created opportunities for dialogue and active engagement among stakeholders to streamline forthcoming EEITI activities
Publication of the procedure for license allocations	January 2014	To foster transparency in the management of licenses to extractive industries
Produce and distribute promotional materials in the form of stickers, pens, fliers, bags, and etc.	Every quarter	To raise the awareness of the EEITI multi-stakeholders and the public for the implementation of EEITI
Create a system to use mass media outlets such as Television and Radios to promote EEITI	Every workshop	To promote EEITI at a wider scale
Promote EEITI in the form of Drama and music		To promote EEITI through art for the general public
Create social media such as Facebook pages for EEITI		To enable wider social network to discuss and comment on the implementation of EEITI
Undertake outdoor advertising of EEITI in the form of a billboard		To create awareness of the EEITI implementation
Create an enabling environment for all stakeholders in general and CSOs in particular to participate in the EEITI implementation	Every workshop and special meetings	To ensure a full and active participation of the CSOs in the EEITI implementation
Develop and approve the scope and TOR of the EEITI Annual Activity Report	December 2014	To fulfill the EITI requirements
Produce the EEITI Annual Activity Report for 2014		To fulfill the EITI requirements
Hold quarterly meetings of the ENSC	Every quarter	To deliberate on various issues pertaining to the implementation of EEITI
Assess and identify any potential obstacles, legal and regulatory or administrative, to impede the implementation of EEITI	August 2014	To suggest actions to overcome these limitations
Investigate and ensure that all issued licenses are in compliance to		To identify gaps and propose remedies to improve license

the existing laws		administration
Establish two sub-committee (technical and sensitization sub-committee)	Early 2014	To facilitate the day-to-day activities of the ENSC and its IS
Nomination and approval of new members of ENSC	August 2014	<p>Institutionalization of EEITI</p> <p>Created opportunities for dialogue and active engagement among stakeholders to streamline forthcoming EEITI activities</p> <p>Ensure the participation of the tripartite entities (the civil society, extractive industries and Government) in the implementation of EITI</p>
Investigate the impact of mining operations on the environment and communities and the mitigation measures developed by the companies	December 2014	To ensure sustainable natural resources governance and social development
Conduct a work visit to three large mining operation sites by the ENSC		To assess the performances of the companies in meetings their environmental and social responsibilities
Produce, publish and disseminate comprehensive annual EEITI document		To assess the annual performance if the implementation of EEITI and pinpoint successes and challenges for further actions

11.2. Annex B: 2014 Activities in Work Plan, expected outcomes and status

The EEITI's Work Plan has contained a list of 45 measurable targets. Out of these targets, 80% of them have been achieved while 6% and 14% are found to be ongoing and under arrangements, respectively.



Category of Activities	Activity	Objective	Implementing agency	Indicators	Expected outcomes	Status
Objective 1: Capacity Building for EEITI multi-stakeholders and ENSC						
1.	<i>Conduct National and Regional EEITI conference on the Natural Resource management</i>	Enhance a sense of ownership at the grassroots level	ENSC and EEITI IS	Conducted workshop/ conference	Created awareness for all EEITI Stakeholders drawing from national and regional levels	Achieved
2.	<i>Awareness creation for civil society, local communities, government entities, business sectors and key media</i>	Awareness creation	ENSC and EEITI IS	Workshops/ conferences/ meetings	Increased awareness and support for EITI implementation	Achieved

	<i>institutions</i>					
3.	<i>Experience sharing of the members of ENSC with EITI implementing countries</i>	Improved implementation of EEITI	ENSC and EEITI IS	Working visits	Enhanced and proper implementation of EEITI	Achieved
4.	<i>Awareness creation for Artisanal Miners</i>	Enable better understanding of the objectives of EITI implementation in Ethiopia	ENSC and EEITI IS	Artisanal Miners' Forum created	Extended scope of EEITI	Achieved
5.	<i>Recruitment of a procurement expert to support EEITI IS</i>	To improve the efficiency of procuring experts for the IS	ENSC and EEITI IS	Employment of the Procurement specialist at EEITI IS	Better and efficient procurement of services	Achieved
6.	<i>Recruitment of Financial Management expert to support EEITI IS</i>	To improve the efficiency of financial management at the IS	ENSC and EEITI IS	Employment of the financial management specialist at EEITI IS	Better and efficient financial management services for a proper implementation of EEITI	Achieved
7.	<i>Identification of domestic sources of funding to implemented some of the activities of Work Plan 2014 – 2015</i>	Implementation of EEITI's activities	ENSC and EEITI IS	Secured domestic fund	Timely and sustainable implementation of the activities of the Work Plan	Achieved
8.	<i>EEITI IS office infrastructure (space and equipment)</i>	To better capacitate the IS for improved implementation of the activities of the Work Plan	ENSC and EEITI IS	Developed IS office infrastructure	Sustainable implementation of EITI	Achieved
9.	<i>Training on project management, procurement and communication for the staff of EEITI IS</i>	Capacitate the staff of EEITI IS in technical skills	ENSC and EEITI IS	Conducted training	Efficient implementation of EEITI	Achieved

Objective 2. Enable EEITI to be governed by law						
1.	<i>Publication and popularization of a simplified/popular version of EEITI law</i>	Awareness creation for all EEITI stakeholders	ENSC and EEITI IS	Published EEITI law	Institutionalization of EEITI implementation and improved understanding of the roles and responsibilities of all EEITI stakeholders	Ongoing ³
2.	<i>Publication of an overview of the existing minerals, oil and gas laws , regulation and policies in the context of the responsibilities of the Government</i>	Create awareness about the operational laws and policies in the natural resources	ENSC, EEITI IS and WB	Published minerals, oil and gas regulatory framework	Enhanced understanding of minerals, oil and gas polices and regulatory framework for efficient implementation of EEITI; harmonization of laws governing natural resources	Achieved
3.	<i>Extend EEITI implementation process to all relevant Federal, regional and city Administration to appoint focal persons</i>	Create awareness of EEITI implementation	ENSC, EEITI IS	Appointment of Regional focal persons	Improved understanding of EEITI implementation at the Regional constituencies	Achieved
4.	<i>Identify different observers from relevant national and international institutions and academics to attend quarterly meetings of ENSC</i>	Create awareness at a larger scale	ENSC, EEITI IS	Number of observed that have attended the ENSC meetings	Improved understanding of the objectives of implementing EEITI	Achieved
5.	<i>Prepare</i>					
Objective 3: Effective promotion/communication of EEITI Implementation						
1.	<i>Extend EEITI implementation</i>	Create awareness of	ENSC, EEITI IS	Appointment of Regional focal	Improved understanding of	Achieved

³ The ENSC has deliberated on this issue and has recognized the need for the development of an EEITI law in the near future

	<i>process to all relevant Federal, regional and city Administration to appoint focal persons</i>	EEITI implementation		persons	EEITI implementation at the Regional constituencies	
2.	<i>Identify different observers from relevant national and international institutions and academics to attend quarterly meetings of ENSC</i>	Create awareness at a larger scale	ENSC, EEITI IS	Number of observed that have attended the ENSC meetings	Improved understanding of the objectives of implementing EEITI	Achieved
3.	<i>Prepare detailed document on the engagement by the Government, CSOs and extractive industries; and challenges in the implementation process of EEITI since its official launching</i>	To enable the ENSC to assess the gaps and challenges for further actions	ENSC and EEITI	Document prepared	Improves the efficiency of EEITI implementation	Achieved
4.	<i>Conduct an official launching of Ethiopia's EITI candidate status</i>	Understand the level of effort of the ENSC and all EEITI stakeholders to achieve this grand milestone in the EITI implementation in Ethiopia	ENSC and EEITI	Conference launched	Improved awareness of the achievements of EEITI	Achieved
5.	<i>Publish the procedures for license allocation</i>	To enhance transparency in license administration	ENSC and EEITI IS	Published procedure	Improved license administration for minerals, oil and gas sectors	Achieved
6.	<i>Awareness creation</i>	Public level		Published	Increased awareness	Achieved

	<i>for EEITI in different forms (newsletter and promotional materials such as stickers, fliers and bags)</i>	awareness creation related to EEITI activities	ENSC and EEITI IS	newsletters and produced promotional materials	of the public understanding of EITI implementation in Ethiopia	
7.	<i>Promotion of EEITI through mass media outlets (TV, Radio)</i>	Awareness creation for the implementation of EITI in Ethiopia to a wider audience	ENSC and EEITI IS	Recorded effort	Enhanced grassroots level understanding of the implementation of EITI in Ethiopia	Achieved
8.	<i>Promote EEITI through Drama and music</i>	Awareness creation	ENSC and EEITI IS	Number of Drama and music produced	Improved public understanding of EEITI implementation	To be arranged
9.	<i>Develop an official social domain for EEITI e.g. Facebook</i>	Awareness creation with regards to the achievements and progress on the EITI implementation in Ethiopia	ENSC and EEITI IS	Created social domain	Enhanced understanding of the extractive industry in Ethiopia and the roles of EITI implementation to foster transparency, accountability and good governance for a wider audience; increased investment as the result of EITI process	To be arranged
10.	<i>Undertake outdoor promotion of EEITI implementation in Ethiopia, e.g., billboard</i>	Awareness creation for the all EEITI stakeholders of EEITI across various places	ENSC and EEITI IS	Produced billboards and brochures	Increased understanding of EITI implementation in Ethiopia	To be arranged
Objective 4: Fulfillment of the EITI Requirements						
1.	<i>Create enabling environment for all stakeholders in general and the CSOs in particular to ensure a full</i>	To ensure active and full participation of EEITI multi-stakeholders and the CSOs	ENSC and EEITI IS	The CSOs have participated in EEITI workshops and discussion forums	Improved participation of the CSOs	Achieved

	<i>participation in EEITI implementation</i>					
2.	<i>Define the scope of EEITI's Annual Activity Report and develop Terms of Reference for the Consultant</i>	Meeting EITI requirements	ENSC and EEITI IS	Published TOR	Approved TOR	Achieved
3.	<i>Produce annual Activity Report for year 2014</i>	Meeting EITI requirements	ENSC and EEITI IS	Published EEITI Annual Activity Report	Published EEITI Annual Activity Report for a wider circulation	ongoing
4.	<i>Hold ENSC quarterly meetings</i>	To discuss issues pertaining to EEITI implementation	ENSC and EEITI IS	4 meetings were held	Further actions to improve EEITI implementation	Achieved
5.	<i>Assess and identify any potential obstacles, legal, regulatory and administrative, to impede the implementation of EEITI</i>	To create enabling environment for effective EEITI implementation	ENSC and EEITI IS	Multiple meetings were held with the concerned bodies to improve this situation	Improved legal and regulatory environment	Achieved
6.	<i>Investigate and ensure that all issued licenses are in compliances with the provisions of the existing laws and regulations</i>	To enhance transparency in license administration	ENSC and EEITI IS	About 28 licenses were revoked	Improved transparency in license administration	Achieved
7.	<i>Establish tow sub-committee (technical and sensitization sub-committee)</i>	To facilitate the activities of ENSC	ENSC and EEITI IS	A technical sub-committee was established. The sensitization committee is under consideration	Improved efficiency of the implementation of ENSC's activities	Achieved
8.	<i>Election of new members of the ENSC to replace the</i>	Meeting the EITI requirements	ENSC and EEITI IS	New members of the ENSC were elected	Meeting the EITI requirement	Achieved

	<i>servicing members</i>					
9.	<i>Investigate the impacts of mining operations on the environment and communities and mitigation measures developed by the companies</i>	To ensure sustainable natural resources governance	ENSC and EEITI IS	A report was produced	To achieve sustainable natural resources governance	Achieved
Objective 5: Monitoring and evaluation						
1.	<i>Hold ENSC quarterly meetings</i>	To discuss issues pertaining to EEITI implementation	ENSC and EEITI IS	4 meetings were held	Further actions to improve EEITI implementation	Achieved
1.	<i>Assess and identify any potential obstacles, legal, regulatory and administrative, to impede the implementation of EEITI</i>	To create enabling environment for effective EEITI implementation	ENSC and EEITI IS	Multiple meetings were held with the concerned bodies to improve this situation	Improved legal and regulatory environment	Achieved
2.	<i>Investigate and ensure that all issued licenses are in compliances with the provisions of the existing laws and regulations</i>	To enhance transparency in license administration	ENSC and EEITI IS	About 28 licenses were revoked	Improved transparency in license administration	Achieved
3.	<i>Establish tow sub-committee (technical and sensitization sub-committee)</i>	To facilitate the activities of ENSC	ENSC and EEITI IS	A technical sub-committee was established. The sensitization committee is under consideration	Improved efficiency of the implementation of ENSC's activities	Achieved
4.	<i>Election of new members of the ENSC to replace the servicing members</i>	Meeting the EITI requirements	ENSC and EEITI IS	New members of the ENSC were elected	Meeting the EITI requirement	Achieved
5.	<i>Investigate the</i>	To ensure	ENSC and EEITI IS	A report was	To achieve	Achieved

	<i>impacts of mining operations on the environment and communities and mitigation measures developed by the companies</i>	sustainable natural resources governance		produced	sustainable natural resources governance	
1.	<i>Assess and identify any potential obstacles, legal, regulatory and administrative, to impede the implementation of EITI</i>	To create enabling environment for effective EITI implementation	ENSC and EITI IS	Multiple meetings were held with the concerned bodies to improve this situation	Improved legal and regulatory environment	Achieved
2.	<i>Investigate and ensure that all issued licenses are in compliances with the provisions of the existing laws and regulations</i>	To enhance transparency in license administration	ENSC and EITI IS	About 28 licenses were revoked	Improved transparency in license administration	Achieved
3.	<i>Establish two sub-committee (technical and sensitization sub-committee)</i>	To facilitate the activities of ENSC	ENSC and EITI IS	A technical sub-committee was established. The sensitization committee is under consideration	Improved efficiency of the implementation of ENSC's activities	Achieved
4.	<i>Election of new members of the ENSC to replace the serving members</i>	Meeting the EITI requirements	ENSC and EITI IS	New members of the ENSC were elected	Meeting the EITI requirement	Achieved
5.	<i>Investigate the impacts of mining operations on the environment and communities and mitigation measures developed by the companies</i>	To ensure sustainable natural resources governance	ENSC and EITI IS	A report was produced	To achieve sustainable natural resources governance	Achieved

6.	<i>ENSC to conduct a working visit to three large mining sites</i>	Enhance understanding of the operations of the extractive industries and the surrounding environment (natural and social)	ENSC and EEITI IS	Visited mining sites	Improved awareness and support for EITI implementation and local level natural resources governance	To be arranged
7.	<i>Produce, publish and disseminate annual EEITI document</i>	To enable the ENSC to evaluate the progresses and limitations of EEITI implementation	ENSC and EEITI IS	Published document	To improve EEITI implementation	To be arranged