



Ethiopia: Extractive Industries Transparency Initiative Implementation (P116455)

AFRICA | Ethiopia | Energy and Mining Global Practice |
 Recipient Executed Activities | Technical Assistance Loan | FY 2015 | Seq No: 1 | ARCHIVED on 17-Jun-2015 | ISR19743 |

Implementing Agencies:

Key Dates

Key Project Dates

Board Approval date:24-Sep-2014

Effectiveness Date:29-Oct-2014

Planned Mid Term Review Date:--

Actual Mid-Term Review Date:--

Original Closing Date:31-Dec-2015

Revised Closing Date:31-Dec-2015

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The main development objective of the grant is to build capacity to increase transparency and accountability in the operations of the Extractive Industries in Ethiopia. Specifically, the grant will support the Multi-Stakeholder Group (known as the 'National Steering Committee' in Ethiopia) and the National EITI Secretariat in Ethiopia in implementing the activities and processes required for Ethiopia to successfully publish their EITI Report, and subsequently undergo Validation in accordance with the EITI Standard, 2013. Key elements to this end are to facilitate the effective functioning of the National Steering Committee and the National EITI Secretariat; strengthening institutional capacities relevant to the Extractive Industries sector; and promoting the active engagement of civil society, both at local/municipal and national levels.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	--	● Satisfactory
Overall Implementation Progress (IP)	--	● Satisfactory

Implementation Status and Key Decisions



Ethiopia was admitted as an Extractive Industries Transparency Initiative (EITI) Candidate country on 19 March 2014. The EITI Standard and transitional arrangements require, among other things, that in order to become EITI Compliant, the country must: Produce its first EITI Report within two years from becoming candidate (by March 2016). However, considering the terms of and timeliness of the World Bank's grant, the report is required to be finalized by December 31st, 2015 as a final deliverable under the project; and Validation will start within three years from the date of candidature; and it will measure performance of EITI implementation, including on whether the EITI Report satisfies global standards.

The World Bank Group is currently supporting Ethiopia in its efforts to achieve EITI Compliance, through its recipient executed grant support to the National Ethiopian EITI (EEITI) Secretariat. The main development objective of the grant is to build capacity to increase transparency and accountability in the operations of the Extractive Industries in Ethiopia. Specifically, the grant will support the Multi-Stakeholder Group (known as the 'National Steering Committee' in Ethiopia) and the National EITI Secretariat in Ethiopia in implementing the activities and processes required for Ethiopia to successfully publish their EITI Report, and subsequently undergo Validation in accordance with the EITI Standard, 2013.

There is strong commitment from the government to engage with the industry and civil society on Ethiopian Extractive Industries Transparency Initiative (EEITI), using the National Steering Committee as a platform for communication. Despite the laws of Ethiopia that regulate certain activities of CSOs, CSO participation in EEITI has been welcomed and encouraged by the government as well as industry. The members of the National Steering Committee from all three constituencies, including CSO representatives, have been refreshed through elections. A number of outreach activities and workshops have been completed by the National Steering Committee and the National EEITI Secretariat to spread awareness on EEITI at the national as well as regional levels.

The government remains committed towards implementing EEITI based on its commitment towards transparency and accountability which is mandated by the Ethiopian Constitution. Therefore, implementing the project will have a sustained and long-term effect on sector governance as a whole.

The agreed upon work plan is being implemented according to plan:

Engagement of Stakeholder constituencies: Refreshment of the National Steering Committee has been completed. The election and refreshment of the members in the National Steering Committee representing Government, Industry as well as CSOs has been completed successfully.

Capacity Building, Training and Communication with Key Stakeholders:

Orientation and training exercises have been conducted to sensitize Extractive Industries to report under EEITI, with the result that 39 companies have now represented their willingness to report under EEITI.

Trainings have been conducted for the National Steering Committee (NSC) members on the EEITI Standard.

Knowledge exchange programs for the National Steering Committee have been organized with east and west African countries implementing EITI; and an experience sharing program on EITI was conducted for the National Steering Committee members with Tanzania from 13th – 22nd January, 2015. A knowledge exchange program was also conducted on how to include ASM in EITI reporting, and delegates from the National Steering Committee attended an event in Congo for this purpose.

An EEITI National Conference was conducted, featuring government institutions from federal and regional levels in Ethiopia was conducted from 25th-26th December, 2014. EEITI Regional conference for the stakeholders from the Afar Region was conducted at Semera from 29th-30th April, 2015.

Communication exercises were conducted with mineral bureaus, audit, revenue, finance and environmental protection bureaus of the regions of Tigray, Amhara, Benishangul Gumuz, and Oromia.

EITI Report: the selection and contracting of the Consultants for the EITI report is nearly finalized, the process to draft the report will start within the next few weeks.

Other Activities towards EITI Compliance: Activities are underway to draft an internal governance charter for the National Steering Committee, a draft EEITI Act, create a functioning EEITI website, and for implementing the EEITI communications strategy.

Key decisions :

1. Government agreed that CSOs will be allowed to participate freely in EITI , and there will be no impediments towards the creation of an informal CSO network on EITI
2. Government agreed that all activities under the project will be finalized by December 31st, 2015.
3. Government agreed to explore the inclusion of artisanal mining as a revenue stream in the EITI report



Results

Project Development Objective Indicators

► Ethiopia successfully finalizes its first official EEITI Report. (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	N	Y
Date	01-Nov-2014	--	10-Jun-2015	31-Dec-2015

Comments

Completing the first EITI report is the key deliverable that this project supports. Countries implementing the EITI Standard have to publish reports that disclose the revenues from the extraction of the country's natural resources. Companies report payments to government (taxes, royalties, etc.) and the government reports what it has received. An Independent Administrator reconciles these figures which are published in an EITI Report. Ethiopia needs to publish its first EITI report by March 2016, in order to become an EITI member country.

▲ Independent evaluator contracted (Yes/No, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	N	Y
Date	01-Nov-2014	--	11-Jun-2015	31-Jul-2015

▲ National Steering Group Agrees on Terms of reference for Selection Independent Evaluator (Yes/No, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	Y	Y
Date	01-Nov-2014	--	11-Jun-2015	31-Dec-2015



Overall Comments

Ethiopia is well on its way to finalize its first official EEITI report by December 2015. The MSG is actively engaged in the process, the independent evaluator has been selected, and the work is to start shortly.

Intermediate Results Indicators

► Ethiopia publishes its annual activity report for 2014 (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	N	Y
Date	01-Nov-2014	--	10-Jun-2015	31-Dec-2015

Comments

All countries implementing the EITI must complete annual activity reports as part of the EITI Standard. In it, Ethiopia is required to communicate the efforts they have undertaken to meet and/or maintain compliance with the EITI Requirements. The annual activity reports describe progress made in achieving the objectives set out in the previous year's workplan and document the impact of the EITI in implementing countries.

► A draft EITI Act is created for consideration by the government/parliament; and an internal governance document is created for the National Steering Committee. (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	N	Y
Date	01-Nov-2014	--	10-Jun-2015	31-Dec-2015

Comments

In it's FY 14-FY 15 Workplan, Ethiopia Committed to developing a national law on EITI, which requires that all Ethiopian Government agencies and extractive companies comply with the EEITI Process.

► An EEITI Communication plan is created and implemented (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	N	Y
Date	01-Nov-2014	--	10-Jun-2015	31-Dec-2015

Comments

EITI is a global Standard to promote open and accountable management of natural resources. It seeks to strengthen government and company systems, inform public debate, and enhance trust. Communication is therefore an essential part of EITI implementation. The government of Ethiopia agreed, in its work plan for FY 15 and 16, to develop an EITI Communications strategy, to guide its efforts to inform



all key stakeholders, as well as the general public, about the EITI Process in Ethiopia, its objectives and impacts, and about the contribution of mineral resources to sustainable development in the country in general.

► Number of EITI awareness raising workshops organized in mineral-rich regions of Ethiopia (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	2.00	4.00
Date	01-Nov-2014	--	11-Jun-2015	30-Jun-2015

► Number of stakeholders trained on EITI (what it is and its use for Ethiopia) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	100.00	250.00
Date	01-Nov-2014	--	11-Jun-2015	31-Dec-2015

Comments

The government of Ethiopia is committed to sharing knowledge about EITI on a wide scale, and is systematically organizing awareness raising and training workshops on EITI in the various regions, as well as on a national level. Target groups for these workshops and training events are community leaders, companies, (local) government representatives and civil society organizations.

Overall Comments

The project is well on its way to achieve all intermediate result indicators by December 2015: the various components are all under development: ToRs have been drafted, consultants recruited and work has started,

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
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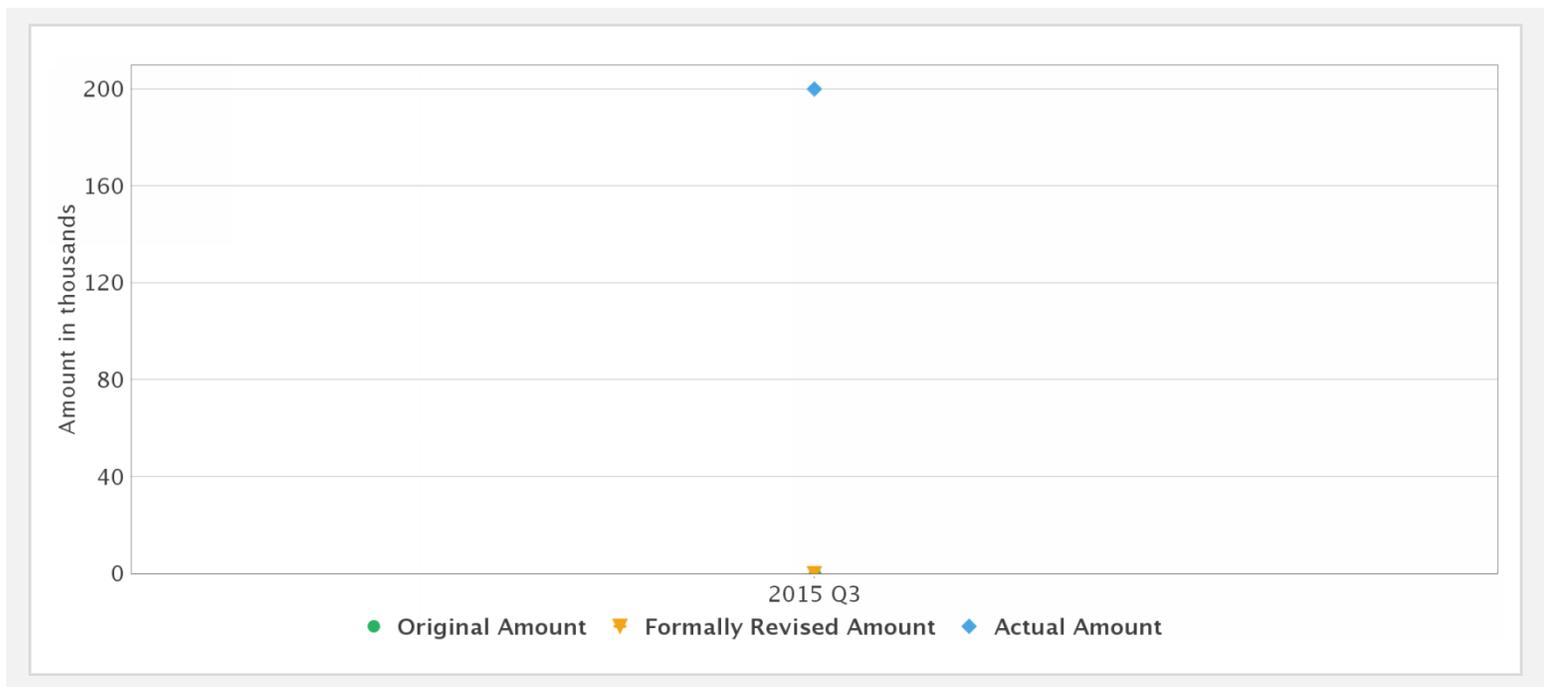


P116455	TF-18161	Effective	USD	0.60	0.60	0.00	0.20	0.40	<div style="width: 33%; height: 15px; background-color: #28a745; border: 1px solid #ccc;"></div>	33%
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Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P116455	TF-18161	Effective	29-Oct-2014	29-Oct-2014	29-Oct-2014	31-Dec-2015	31-Dec-2015

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.