

Extractives Transparency in a Post COVID-19 World

EUROPEAN COMMISSION, INFOPOINT VIRTUAL CONFERENCE, 13 April, 2021



The global standard for the good governance
of oil, gas and mineral resources.

3.5 billion people

live in countries rich in oil, gas or minerals*.

With **good governance**, revenues from the extractive industries can have a significant impact on reducing poverty and boosting shared prosperity.



*Source: World Bank, <https://www.worldbank.org/en/topic/extractiveindustries/overview>

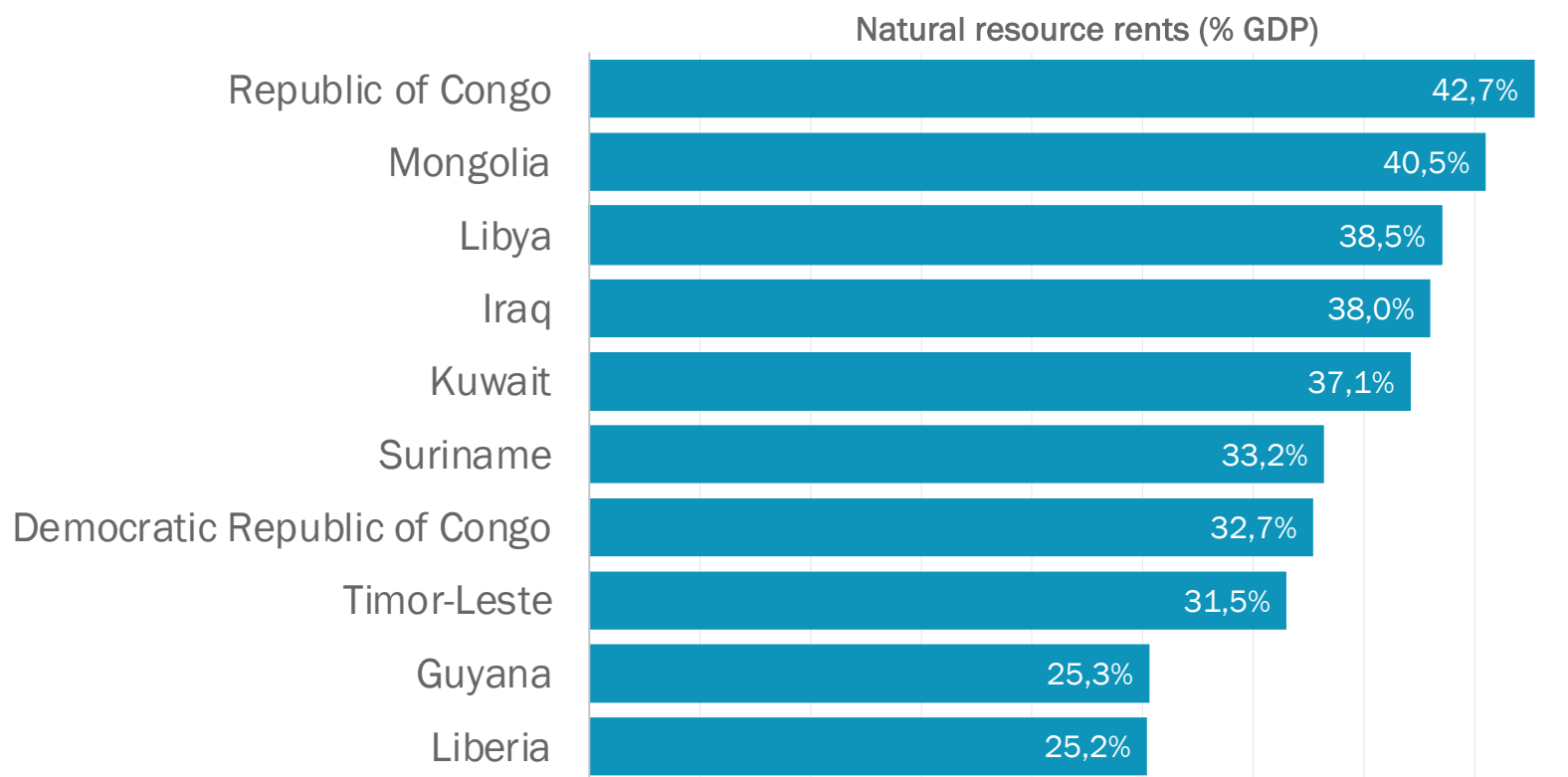


Through its **multistakeholder approach and global standard**, the EITI promotes the open and accountable management of oil, gas and mineral resources



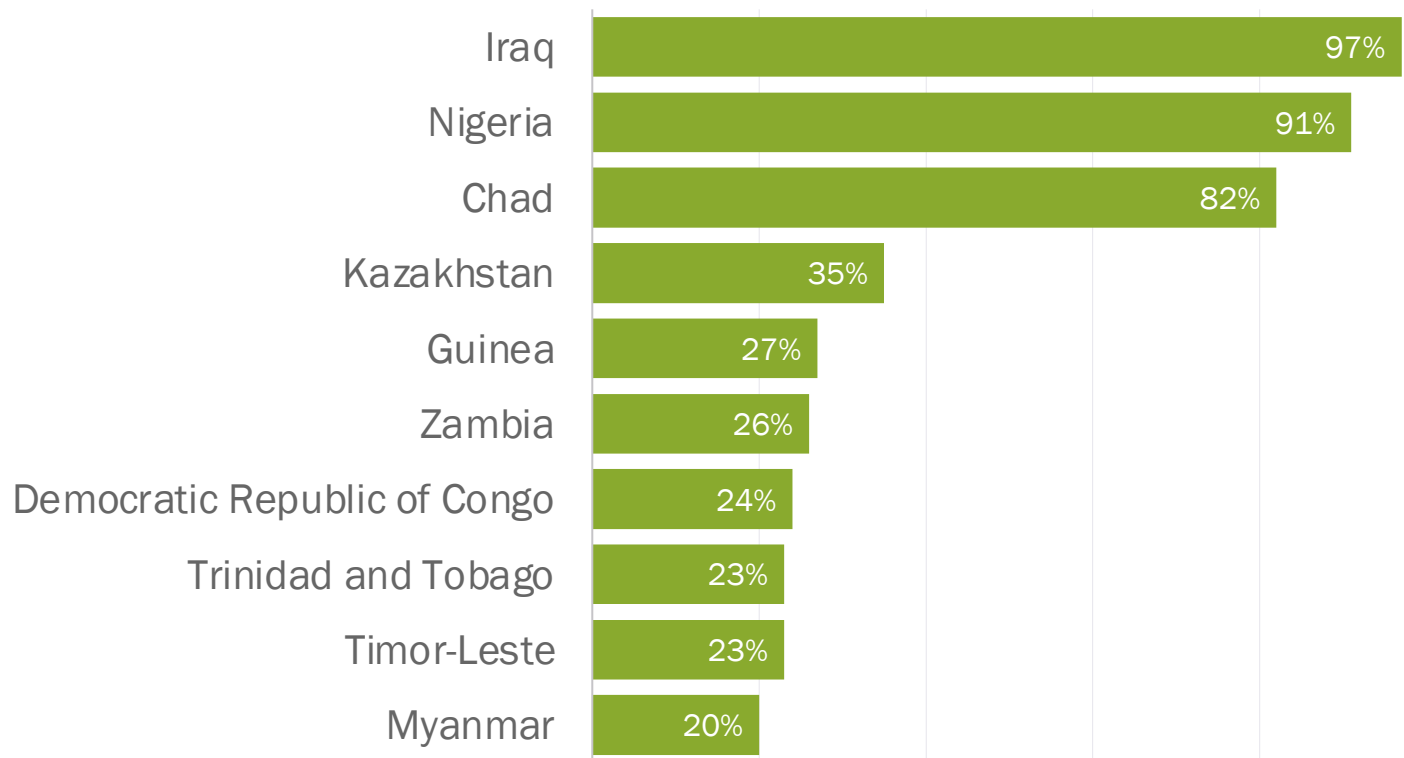
EITI

GDP dependency on natural resources



8 of 10
countries most
dependent on
natural resource
(% GDP)
**implement the
EITI**

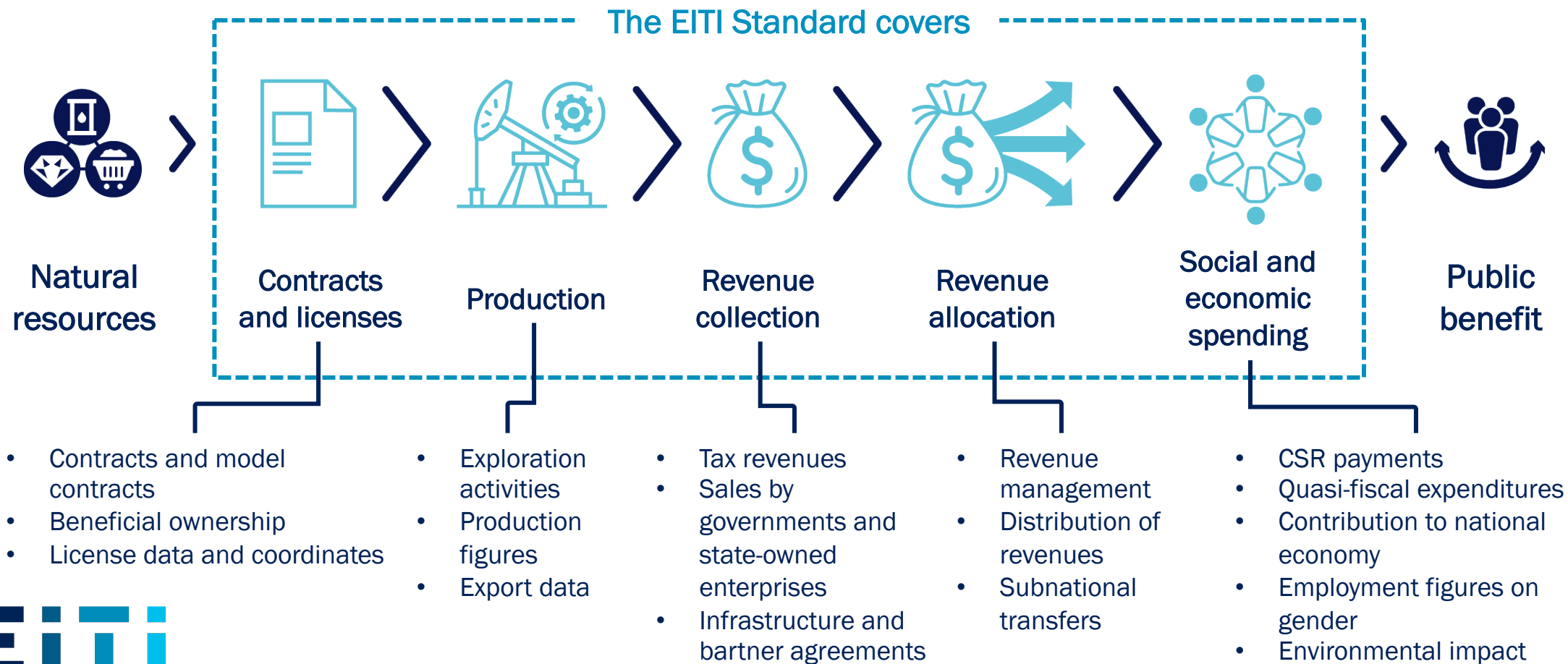
Economic significance of extractive resources



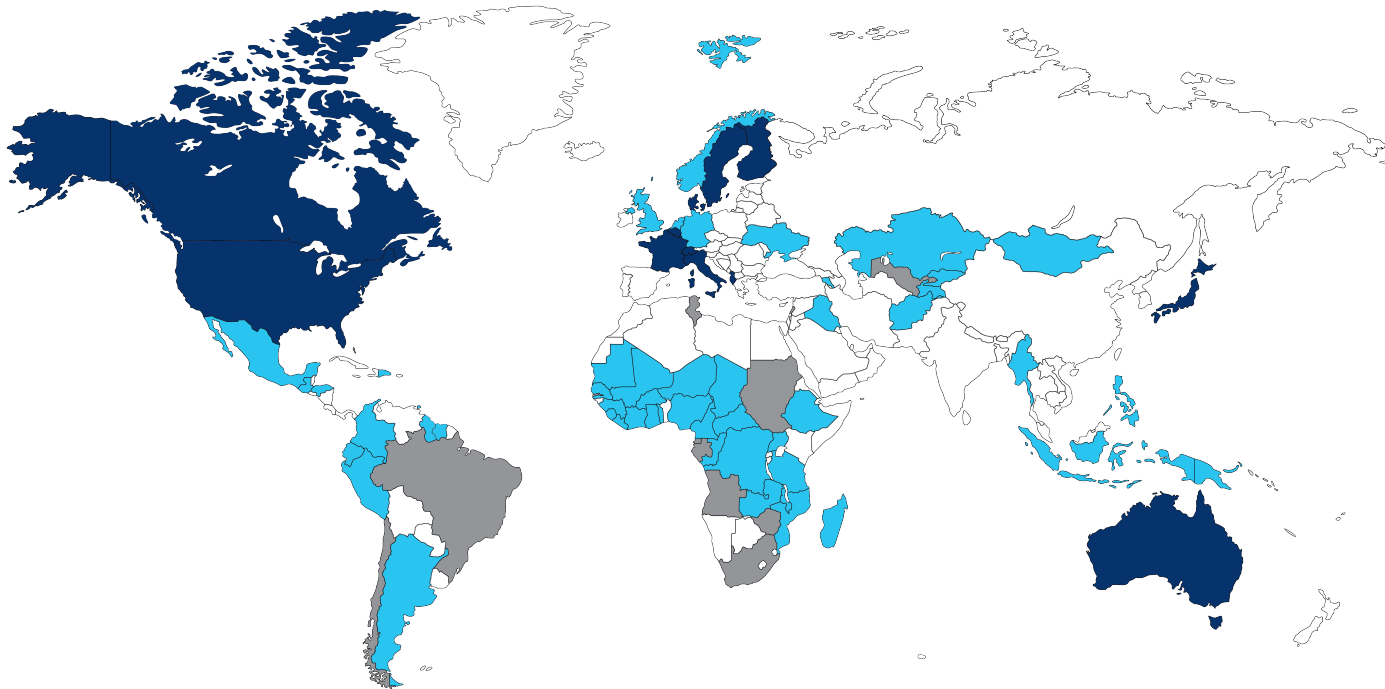
Extractive revenue
as % of **government
revenue**

in EITI implementing
countries (2016)

Data disclosed under the EITI



The global benchmark for transparency in oil, gas and minerals



55 implementing countries

70 supporting companies

\$2.7 tr disclosed through EITI reporting

91% EITI data in open format

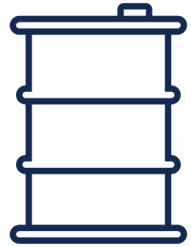


The EITI Standard

The **EITI Standard** outlines the requirements applicable to countries implementing the EITI, as well as the Articles of Association governing the EITI.



Implications of the triple crisis



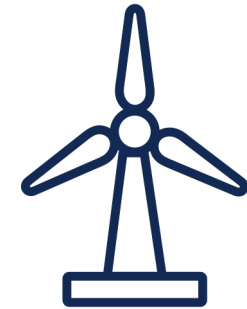
Reduced demand for **oil**, massive fall in prices



Buoyant demand for **strategic minerals**



Extractive revenues & budgets under strain



Diversification & decarbonisation of energy companies

Opportunities for EITI: six shifts



1. Supporting the energy transition



2. Addressing corruption risks



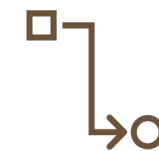
3. Strengthening domestic revenue mobilisation



4. Publishing open data



5. Informing ESG decisions



6. Measuring impact

Energy transition and the EITI

- Using disclosures to inform **policy and debates** on the energy transition
- Building **capacity of MSGs** to engage in informed debate on risks and opportunities
- **Mainstreaming transparency** on energy transition
- Engaging **industry and institutional investors**
- Promote value of EITI data at **global climate events**, e.g., COP26



Thematic priorities in the 2019 Standard

- Deepening **beneficial ownership** transparency
- Publishing **contracts** by default
- Accountable **SOEs** and **commodity trading** transparency
- Reporting on **gender** and **environment**
- Bridging the gaps between **national and local governance**



Sustaining momentum of EITI implementation

- Galvanising robust **political commitment**
- Developing a clear strategy for **re-invigorating EITI processes**
- Ensuring **sustainability and cost-effective** EITI reporting
- Accelerating **systematic disclosure** of data
- Strengthened voice of the **implementing countries**



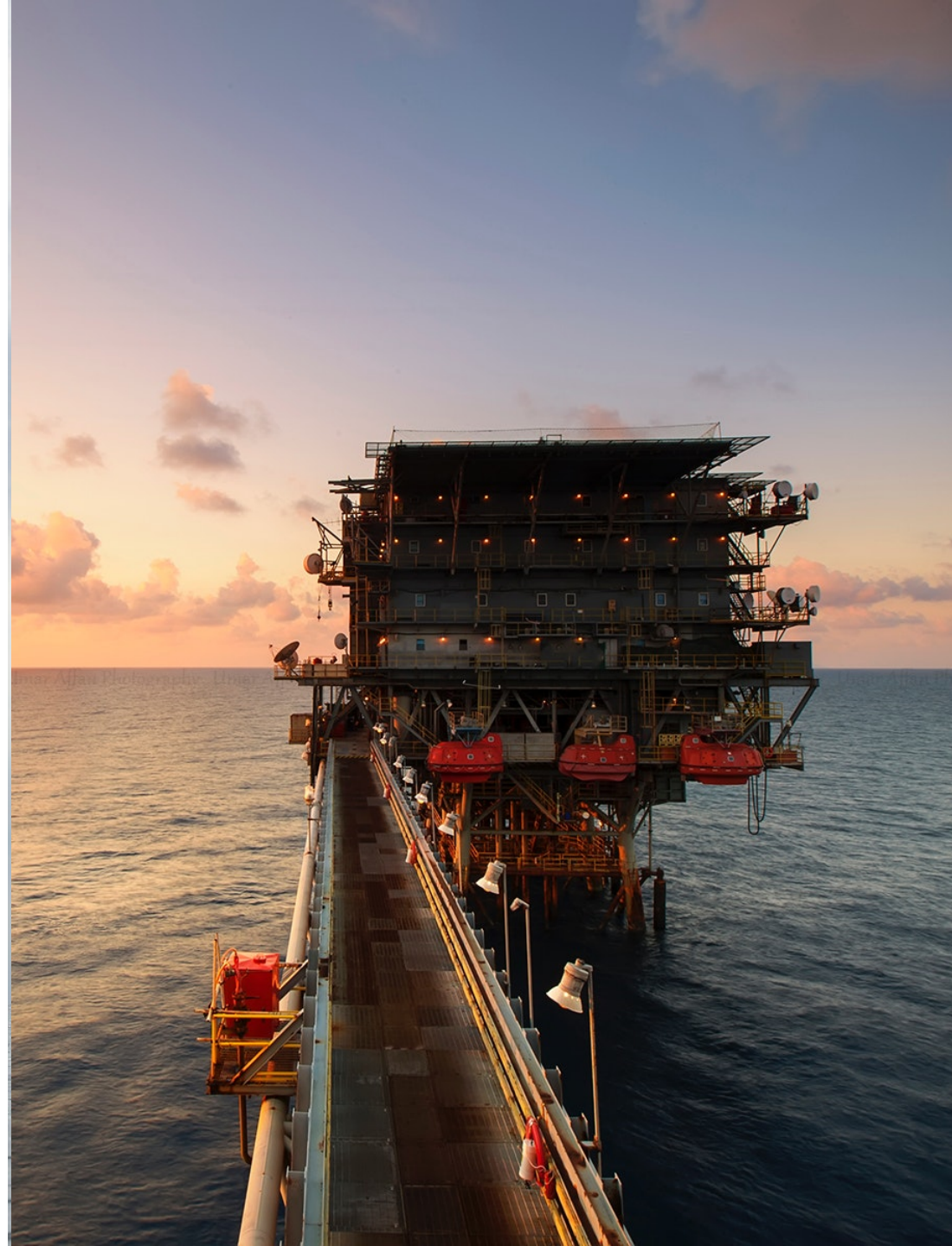
Looking ahead: EITI implementing countries

- EITI implemented by **60 countries**
- Countries demonstrating impact in line with **national objectives**
- National secretariats increasingly **self-funded** and **well-capacitated**
- Multi-stakeholder groups focus on **data analysis**, **dissemination** and **policy influence**, and more diverse, gender-balanced and representative.



Looking ahead: EITI supporting companies

- Increased **engagement** of company constituency
- Greater **diversity** of companies
- New **outreach opportunities** to commodity traders, financial investors, national oil companies, and large renewables companies.
- Growing attention to **Expectations for EITI supporting companies**



Organisational implications

- International **EITI Board** more stable, representative, proactive and effective
- The **International Secretariat** at full capacity with 40 staff
- Joint **projects with key partners** on priority themes
- Strategic **communications** that support policy priorities and strategic shifts
- Stronger **partnerships with international organisations**: EU, IMF, OECD, World Bank

