



## TEITI OPERATIONAL WORKPLAN FOR FY 2022/23

July 2022

## 1.0 Background

The Extractive Industries Transparency Initiative (EITI) is the global standard setter for the oil, gas and mineral resources. Currently, the existing EITI Standard 2019 aims at promoting an open, transparent and accountable management of a country's oil, gas and mineral resources. Tanzania joined the initiative in February 2009 and became compliant in 2012. To date, Tanzania has published twelve (12) TEITI reports covering the period from 1st July 2008 to 30th June 2020. TEITI reports contribute to building public confidence and trust in the extractive companies and Government with regards to oil, gas and mining investment operations in the country. The data compiled in the TEITI reports is therefore expected to facilitate public understanding of the contribution of the extractive industries in the country. Moreover, facilitating public understanding and use of the TEITI reports, data should contribute towards reinforcing the informed critical mass of citizens and provide impetus for the public demand for transparency and accountability from government and the extractive companies exploiting the country's natural resources. Increased public awareness and knowledge of TEITI reports, data and information will ultimately result into the Government maximizing its fair share of revenues derived from the natural resources investments.

As per the EITI requirements, the Tanzania first validation was conducted in 2011 in which Tanzania became compliant with EITI Rules in 2012. On 2 June 2016, the EITI Board agreed that Tanzania's Validation under the EITI Standard 2016 would commence on 1 January 2017. Following the 2017 validation, Tanzania was found to have achieved meaningful progress in implementing the EITI Standard. 2016. However, Tanzania underwent the second validation in 2020, where by the EITI Board agreed that Tanzania had made meaningful progress with improvements in implementing the EITI Standard 2016. The EITI Board determined that Tanzania will have a third validation in April 2023 in which the Board will be keen to validate the corrective actions taken in regard to license allocation (Requirement 2.2), license register (Requirement 2.3), beneficial ownership (Requirement 2.5), state participation (Requirement 2.6), production data (Requirement 3.2), export data (Requirement 3.3), comprehensiveness (Requirement 4.1), subnational payments (Requirement 4.6), data quality (Requirement 4.9), quasi fiscal expenditure (Requirement 6.2). Most of the corrective actions have been addressed in the 2018/19 and 2019/2020 TEITI reports except for license register for oil and gas of which its establishment is in progress. The oil and gas register will improve public administration, efficiency and also make it easier for information accessibility through online portal. In addition, the implementation of Beneficial Ownership requirement is in progress as its successful implementation depends on collaboration with other stakeholders like BRELA which is responsible for registering of companies in Tanzania.

Further, the TEITA Act, 2015 requires the implementation of various activities including the contract and beneficial ownership disclosure. During the implementation of TEITI activities, TEITI will continue to conduct capacity building workshops to various stakeholders to increase understanding of extractive sector revenues, support to CSOs and local officials to assess CSR contributions, local content, and social investments by companies in communities as well as create awareness to stakeholders on the beneficial ownership and contract disclosures. The awareness programs aims at managing adequately the public expectations on the benefits derived from the exploitation of extractive resources. TEITI will also review the roadmap for contract disclosure for effective implementation of the requirement.

The implementation of EITI in Tanzania has already brought some visible impacts on the management of the extractive sector in Tanzania. The disclosure of extractive industries payments and revenues through EITI has helped to improve revenue collection and accountability. This has resulted in creating public debates and discussions regarding the contribution of mining, oil and gas sectors to the country's economy. It has also enabled citizens to have free access to useful information on the extractive industry as compared to previous years. Through a regular disclosure by the extractive industry companies of payments and revenues to the government, TEITI has significantly contributed in building trust among the citizens on the extractive sectors contribution in the economic stability and sustainable development of the country.

The 2022/23 workplan is critical to TEITI as it expects to undergo validation in April 2023. Following this important exercise, TEITI will continue to implement EITI Standards 2019 including the remaining unmet requirements as recommended by the EITI Board in 2020, recommendations which resulted from the findings of the last validation. However, for effective implementation of EITI, TEITI should also ensure that the 2020/21 TEITI Reconciliation report is published before June 2023 in order to make data derived from TEITI reports to be more current and reliable. This report for the first time will include information from the small scale mining sub sector in the country. In addition, TEITI's communication strategy should be developed to facilitate TEITI awareness raising programme to its stakeholders.

This workplan is prepared in accordance with EITI Standard 2019, TEITA Act 2015 as well as EITI guidance for preparing workplan. The workplan activities are linked to the EITI principles and also reflect national priorities for the extractive industries.

## **2.0 Objective of the workplan**

The objective of the 2022/23 operational workplan is to strengthen and enhance transparency and accountability in the administration of Tanzania's extractive industries so that the exploitation of these non-renewable and finite resources can stimulate growth and help to reduce poverty. The activities in the Workplan seek to effectively address both EITI Standard 2019 and the TEITA Act, 2015.

The Workplan objective has four main intended outcomes, namely: 1) Increased Compliance in Disclosure of Payments and Revenues, 2) Increased Understanding and Awareness of TEITI, 3) Enhanced legal and institutional framework for EITI implementation, and 4) Increased capacity, skills and knowledge of TEITI Secretariat and MSG. Underneath each of the four main outcomes, TEITI has developed activities for attaining the intended outcomes as indicated in **Appendix 1**.

## **3.0 Budget and Funding**

The 2022/23 workplan provides financial needs for the period of 1st July 2022 to 30th June 2023. In this financial year, indicative commitments from the Government is TZS 743.4 Million. TEITI receives Government allocations support through the Ministry of Minerals. Therefore, TEITI is required to comply to Government financial regulations. Expenditures are regularly audited by the internal audit unit of the Ministry of Minerals to inform the Ministry's management and the MSG on its financial compliance and on how it is managing the risks confronting it in realizing its objectives. Similarly, TEITI is currently supported by the procurement unit of the MoM for all procurement of goods and services. In addition, expenditures of TEITI are subjected to external audit on an annual basis by the Controller and Auditor General (CAG).

**Appendix 1. TEITI Workplan-FY 2022/23**

Outcome/KR A	EITI Standard	Activities	Outcome and performance indicators	Time (Calendar Year)	Responsibility	Budget USD	Source	Status
<b>Outcome 1 : Increased Compliance in Disclosure of Payments and Revenues</b>	R2: The EITI requires timely publication of EITI reports	<b>Publication of the 13th report</b>						
		i)Recruitment of independent administrator		Q3 2022	Secretariat/MSG			
		ii) Complete Scoping Study.	Scoping report	Q4 2022	Consultant/Secretariat/MSG	20,000	GoT	
		(iii) Train reporting entities in completing reporting templates.	Number of reporting entities trained	Q4 2022	Consultant/Secretariat/MSG	5,000	GoT	
		(iv) Collect payments and receipts data to conduct reconciliation.	Companies and government receipts data	Q1 2023	Consultant/Secretariat/MSG	40,000	GoT	
		(v) Validation of the Draft report	Number of stakeholders	Q1 2023	Secretariat/MSG		GoT	
		Vi) MSG's approval of the report before its launch	Discussion and approval of the report	Q1 2023	Secretariat/MSG		GoT	
		(vii) Launch of the 13 <sup>th</sup> TEITI report and Publish the Report.	Final report published	Q2 2023	Secretariat/MSG	20,000	GoT	
		viii) Translation of 13 <sup>th</sup> reconciliation report into Kiswahili and Brail Language	13 <sup>th</sup> reconciliation report translated	Q2 2023		20,000	GoT	

		& printing of full report and short versions).						
		ix) Carry out pilot study for integrating SSM in TEITI reporting system.	Number of small scale miners included in TEITI report	Q1 2023	Secretariat/MSG			
	EITI Data Mainstreaming	i) Preparation of technical specifications which will be used to design electronic EITI reporting Portal.	specification developed	Q4 2022	Secretariat/MSG and other relevant stakeholders	20,000	GoT	
		ii) Stakeholders consultation on their views and recommendation on the EITI reporting portal.	Number of stakeholders consulted		MSG, Government entities and companies	20,000	GoT	
		iii) Design electronic EITI reporting portal inline with EITI Standard 2019 (EITI Mainstreaming).	Electronic EITI reporting portal is functional		MSG, Government entities and companies	40,000	GoT	
	Contract disclosure	i) Conduct a meeting with Senior Government officials to discuss on how best contracts can be disclosed.	Number of Senior Government officials participated in the meeting		AG, PS-MoE, PS-MoM, DG-PURA, ES-MC, ES-TEITI, and DG-eGA	5,000	GoT	
		ii) Conduct two (2) consultation meetings with Government entities responsible for contract disclosure.	Number of Government entities		MSG/ Government entities	10,000	GoT	

		iii) Conduct two (2) consultation meetings with extractive companies on contract disclosure.	Number of extractive companies.		MSG/ Companies	10,000	GoT	
<b>Outcome 2: Increased Understanding and Awareness of TEITI</b>	R.7 : Ensure that government and company disclosures are comprehensively promoted, publicly accessible and contributes to public debate.	i) Development of TEITI Communication strategy.	Communication strategy completed	Q1 2023	TEITI Secretariat/MSG	5,000	GoT	
		ii) Improving TEITI's website and the dashboard	Website and dashboard improved	Q3 2022	TEITI Secretariat/MSG	10,000	GoT	
		(iii) Conduct three (3) awareness raising workshop in Simanjiro, Chunya and Tarime on disclosure of revenue receipts and CSR contribution at district level.	Percentage of people who are aware of annual payments and receipts from extractive industries through different communication media.	Q3 2022 Q1 2023	Secretariat/MSG	40,000	GoT	
		(iv) Participate in four (4)	Number of	Q3 2022	Secretariat/MS	30,000	GoT	

		National (Sabasaba, nanenane, Geita and Madini and two (2) International exhibitions and show events.	National and International exhibitions	Q2 2023	G			
		iv) Carry out training to 200 small scale miners on the importance of record keeping and disclosure of SSM data in EITI reporting in Geita and Chunya.	Number of small scale miners trained	Q1 2023 Q2 2023	Secretariat/MS G	20,000	GoT	
<b>Outcome 3: Enhanced legal and institutional framework for EITI implementation</b>		i) Facilitation of TEITI organisation structure to be functional.	Organisation structure		MoM/ACG/MSG	20,000	GoT	
		ii) Preparation of TEITI strategic plan.	strategic plan		Secretariat/MS G	10,000	GoT	
<b>Outcome 4: Increased capacity, skills and knowledge of TEITI Secretariat and Multi-Stakeholder Group</b>		i) Training to support the capacity of 8 TEITI secretariat staff on Mining, oil and gas contract negotiation.	Number of TEITI secretariate trained.	Q3 2021	Secretariat /consultant	40,000		



		(ii) Training in EI contracts interpretation to MSG and Secretariat.	Number of MSG and secretariat trained	Q1 2023	Secretariat/MSG/consultant	40,000		
		iii) Build capacity of Parliamentarians and media on extractive sector contract interpretation and the use of EITI data.	Number of parliamentarians and media trained	Q4 2022	Parliamentarians/media/consultant/Secretariat	40,000		
		iv) Hire a consultant to conduct survey and develop indicators and monitoring and evaluation framework.	monitoring and evaluation framework.	Q4 2022	MSG/Consultant	40,000		
		Administrative expenditures for the above activities.			Secretariat/MSG	50,000	GoT	
		<b>Total costs</b>				<b>555,000</b>		