

Approved 2019 ANNUAL WORK PLAN

1. Introduction and assumptions

This is the second annual work plan after the approval of the MWEITI Strategic Plan in 2017. The Strategic plan has four key result areas, namely:

- Result area 1: Increased sector contribution to GDP;
- Result area 2: Improved extractives sector growth and performance;
- Result area 3: Improved information, openness, awareness on issues of extractive industries; and,
- Result area 4: Enhanced capacity of MWEITI *and its stakeholders* to implement EITI Standards.

The annual plan of 2018 had activities in all these four result areas but its achievements were constrained because of limited funding and capacity, especially in the MWEITI Secretariat. Out of a budget of K 508 million, actual spending/funding came to be about K 145 million (26.8 percent of budget). As a result, many activities were not implemented. This situation has called for a thorough review of expectations in 2019 about what MWEITI can implement, given that to a large extent problems which contributed to poor performance in 2018 have not been entirely resolved. The budget has been reduced to an estimated K 367 million (nearly 28 percent reduction).

The following assumptions have guided the formulation of the 2019 annual work plan:

- Limited funding options: there has been no indications from main sponsors – government and GIZ – that there will be more funding provided in the 2019 year. Opportunities exist to tap on other sponsors and this will be done in the course of the year in order to fill in a funding gap estimated at around K 142 million in the 2019 budget.
- Limited capacity: the MWEITI Secretariat is not yet staffed to its optimal capacity and certain pertinent activities, especially on communication, monitoring and capacity building will have been scaled down.
- Technical studies should largely use local rather than international expertise to reduce costs

2. Objective and activities

The main objective of the 2019 annual work plan, as an operational tool of the Strategic Plan, is to contribute to the achievement of MWEITI strategic outcomes and in connection with this it will focus on improving the reporting of revenues and payments and improve the capacity of stakeholders in implementing the EITI standard in the country and. It has taken on board some activities not undertaken in 2018 and also those from the remedial action plans. It will, as such, guide the implementation of the following activities:

Result area 1: Increased sector contribution to GDP

- 1.1 Develop Road Map of MWEITI Project Level Reporting (source RAP)
- 1.2 Annual reconciliation of revenues paid and collected (procure an independent administrator; collect and analyse data and produce Third EITI Report for about 30 companies from the mining,

- oil and gas, and forestry subsectors; reviewing and finalizing of third EITI report by stakeholders; collect and analyse data and produce Third EITI Report for 3 government reporting entities)
- 1.3 Facilitate MSG meetings: special and ordinary meetings; quarterly subcommittee meetings;
- 1.4 Facilitation of meetings for institutionalization and mainstreaming of MWEITI in government and company systems

Result area 2: Improved extractives sector growth and performance

- 2.1 Technical Assistance: MWEITI Policy and Legal Impediments study and the EITI Mainstreaming study (source RAP)

Result area 3: Improved information, openness, awareness on issues of extractive industries

- 3.1 Feedback survey in resource extraction communities (mining, forestry, oil and gas etc) for the production of Annual Activity Report for 2019
- 3.2 MWEITI Third Report Launch
- 3.3 Dissemination of reconciliation findings (production and/or implementation of communication tools; prime airing of communication tools; newspaper advertising)
- 3.4 Conduct community meetings (Outreach) in resource extraction areas to discuss revenue and non-revenue issues affecting them
- 3.5 Support for mainstreaming BOD in MDAs and CEs

Result area 4: Enhanced capacity of MWEITI *and its stakeholders* to implement EITI Standards

- 4.1 Facilitate training of national audit staff in EITI reporting template certification (source RAP)
- 4.2 Facilitate training of internal audit staff in auditing production data in reporting entities (source RAP)
- 4.3 Facilitation for training of personnel for reporting entities in filling in templates for 30 companies to be included in the reconciliation process (source RAP)
- 4.4 International conference on reviewing EITI implementation
- 4.5 Technical assistance to MWEITI Secretariat and administrative support costs for MSG meetings and workshops

3. Stakeholders and beneficiaries of the annual plan

The Ministry of Natural Resources, Energy and Mining is to a large extent the major stakeholder in the extractives industry. As may be expected, the Department of Mines under the Ministry is the lead stakeholder even though this is currently based on potential rather than revenue contribution. This is because currently it is the Forestry sub-sector that contributes more to government revenue than mining. The Ministry of Finance, Economic Planning and Development, with its revenue collecting and accounting institutions, is crucial in the management of finances and policies related to investment in the sector. The other key stakeholders are the private companies that have directly invested in the sector; the civil society organisations that seek to promote strong community participation in the management of mineral and other extractive resources. The main beneficiaries are the people of Malawi, especially those living in and close to sites of extractive industries.

3. Annual Work Plan

			Months 2019												
ACTIVITIES		OUTPUT	MEANS/INPUTS	1	2	3	4	5	6	7	8	9	10	11	12
Result area 1: Increased sector contribution to GDP															
1.1	Develop road map of MWEITI project level reporting (source RAP)	Road map report	Transport; upkeep/DSA; materials/stationery; communication/airtime			M			A			S			
1.2	Conduct annual reconciliation of revenues and payments	Approved Third EITI report; data on payments and revenues	Independent administrator; meetings; workshops; venues; transport; upkeep/DSA, materials/stationery	J	F	M	A								D
1.3	Facilitate MSG and its subcommittees special and ordinary meetings	Meeting minutes and reports	Transport; upkeep/DSA; materials/stationery; communication/airtime	J		M			J			S			D
1.4	Facilitate institutionalization and mainstreaming of MWEITI standards	Conference report	Transport; upkeep/DSA; materials/stationery; communication/airtime					M							
Result area 2: Improved extractives sector growth and performance															
2.1	Technical Assistance: i) Mainstreaming study; and, ii) MWEITI policy and legal impediments	MWEITI Policy framework; reports on legal impediments and mainstreaming	Consultants, workshops, meetings; transport; upkeep/DSA; materials/stationery						J						
Result area 3: Improved information, openness, awareness on issues of extractive industries															
3.1	Feedback survey in mining communities for the production of annual activity report for 2019	Data on community perceptions of EITI implementation	transport; upkeep/DSA; materials/stationery						J						
3.2	Third EITI Report Launch	120 distributed 2019 reconciliation reports; public awareness of findings	Venue; transport; upkeep/DSA; accommodation; publicity materials; stationery								A				
3.3	Dissemination of EITI reconciliation findings	Communication tools (radio and TV programs, jingles); newspaper articles; publicity materials	Facilitator(s)/producers; airtime on radio/TV; materials		F	M						S	O		

			Months 2019												
ACTIVITIES		OUTPUT	MEANS/INPUTS	1	2	3	4	5	6	7	8	9	10	11	12
Result area 3: Improved information, openness, awareness on issues of extractive industries (cont...)															
3.4	Conduct community meetings (Outreach) in mining areas to discuss revenue and non-revenue issues affecting them	Community meeting reports; annual activity report	Transport; upkeep/DSA; materials/stationery									A	S	O	
3.5	Support to Registrar General for mainstreaming BOD in MDAs and CEs	conference report on mainstreaming	Venue; transport; upkeep/DSA; materials/stationery				A		J		A				
Result area 4: Enhanced capacity of MWEITI and its stakeholders to implement EITI Standards															
4.1	Training of national audit staff in EITI reporting template certification	15 national audit staff trained	Facilitator(s); venue; transport; upkeep, materials/stationery		F										
4.2	Training of internal audit staff in auditing production data	15 internal audit staff trained	Facilitator(s); venue; transport; upkeep, materials/stationery				A								
4.3	Training staff in reporting entities in filling templates for the reconciliation process	40 trained personnel	Facilitator(s); venue; transport; upkeep/DSA, materials/stationery		F										
4.4	International conference on reviewing EITI implementation	12 EITI leaders trained	Air tickets; meetings; fuel; upkeep/DSA; materials/stationery							J					
4.5	Technical assistance to MWEITI Secretariat and administrative support costs	Progress reports; Minutes and reports of meetings	Consultants; materials/stationery; Office space	J	F	M	A	M	J	J	A	S	O	N	M

4. Budget for the 2019 Annual Plan

		2018	2019		
ACTIVITIES		Amount (MK')	Amount (MK')	US\$	% share
Result area 1: Increased sector contribution to GDP			157,820,367	214,721	43.0
1.1	Develop road map of MWEITI project level reporting (source RAP)		3,486,240	4,743	1.0
1.2	Conduct annual reconciliation of revenues and payments	100,199,975	104,045,007	141,558	28.4
1.3	Facilitate MSG and its subcommittees special and ordinary meetings		40,089,120	54,543	10.9
1.4	Facilitate institutionalization of MWEITI standards in government systems		10,200,000	13,877	2.8
Result area 2: Improved extractives sector growth and performance			42,000,000	57,142	11.4
2.1	Technical Assistance: MWEITI Policy, Legal Impediments and Mainstreaming		42,000,000	57,142	11.4
Result area 3: Improved information, openness, awareness on issues of extractive industries			46,560,460	63,346	12.7
3.1	Feedback survey in mining communities for the production of annual activity report for 2019		2,292,260	3,118	0.6
3.2	Third EITI Report Launch		11,316,420	15,396	3.1
3.3	Dissemination of EITI 2019 reconciliation findings		13,620,000	18,531	3.7
3.4	Conduct community (outreach) meetings in mining areas to discuss revenue and non-revenue issues affecting them		3,895,760	5,300	1.1
3.5	Support for mainstreaming BOD in MDAs and CEs		15,436,020	21,001	4.2
Result area 4: Enhanced capacity of MWEITI and its stakeholders to implement EITI Standards			120,544,020	164,005	32.9
4.1	International conference on reviewing EITI implementation		22,524,200	30,645	6.1
4.2	Training of national audit staff in EITI reporting template certification		7,830,000	10,653	2.1
4.3	Training of internal audit staff in auditing production data		8,499,940	11,565	2.3
4.4	Training staff in 30 reporting entities in filling templates for the reconciliation process		4,407,880	5,997	1.2
4.5	Technical assistance to MWEITI Secretariat and administrative support costs	131,407,773	77,282,000	105,145	21.1
TOTALS		508,000,000	366,924,847	499,217	

Note: 2018 budget only captures items that are similar, but the total is for everything that was done.

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