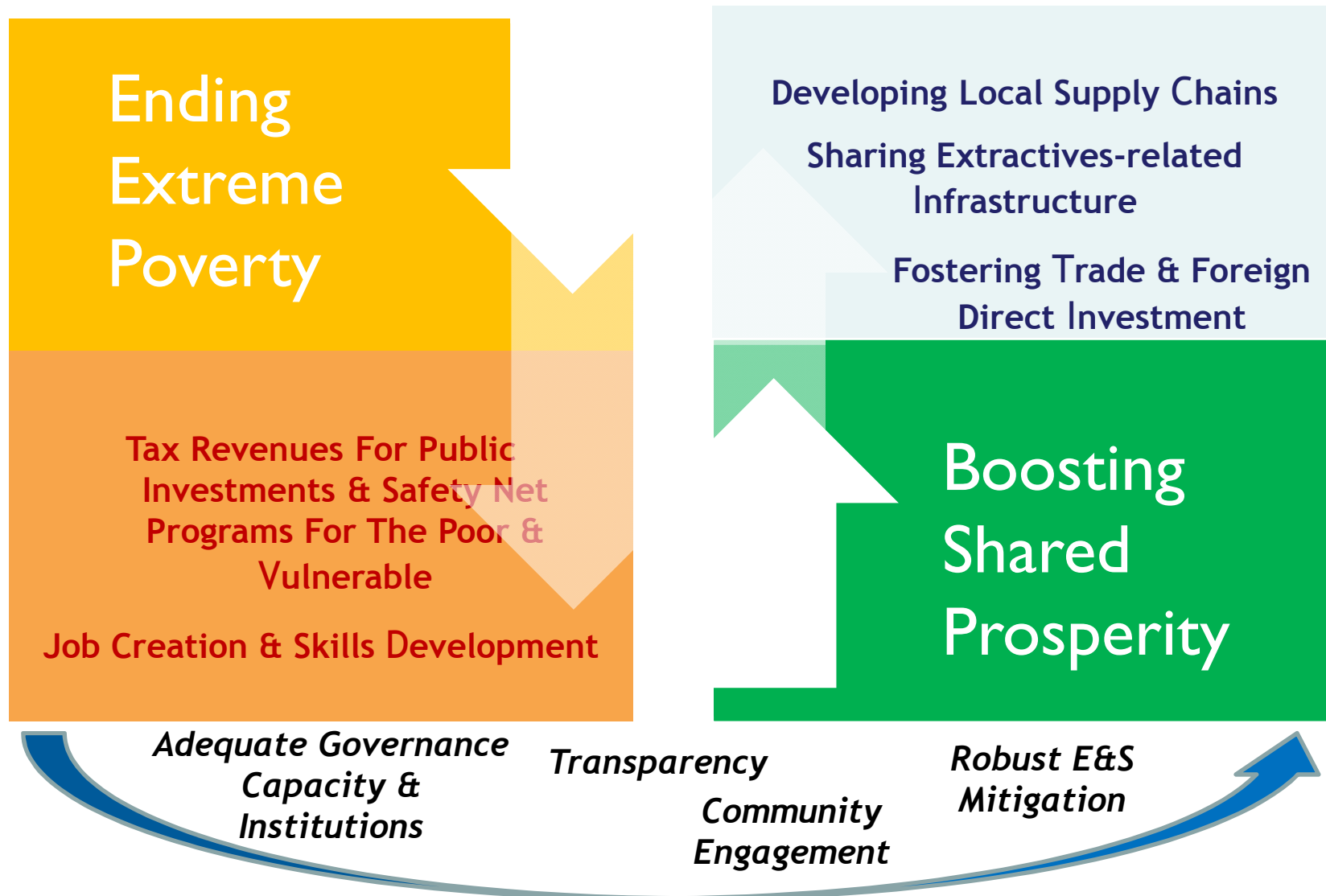


Extractives Global Programmatic Support (EGPS)

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Extractive Industries Support The WBG's Twin Goals



World Bank Extractives Portfolio - Overview

- WB Extractives Portfolio is active in about 70 countries
 - **IDA** – 11 IDA country-level projects (about \$500 million including co-financing grants). Over the next two years the **portfolio will grow to ~ \$700 million with additional 6 projects in pipeline (4 new, 2 additional financing to existing projects)**
- **Knowledge products** – ~ 50 per year across all continents. Ranges from major work like MInGov, EITI Data Standards, African Mining Legislation Atlas, to communities of practice and just-in-time client support on a wide variety of issues in extractives.
- **Small grants** - specific technical assistance targeting of extractives sector transparency and governance. About \$10-15 mln per year, in 2015 – across 35 countries

World Bank Extractives – Small Grants Overview

- **Small grants:**
 - **EITI and EI-TAF MDTFs** (both closed December 31, 2015)
 - **US SDTF for EITI** – was ran in parallel to MDTF and now continues support to EITI in 2 countries until the TF completion
 - **Africa EI TF** (active till 2018 focus on broader EI governance and sustainability of the sector) – 3 active projects and 1 under preparation
 - **Extractives Global Programmatic Support (EGPS)** was established in June 2015 to consolidate all trust funded TA (will be active till 2020). Going forward, the EGPS will be the principle trust-fund for WBG's Energy and Extractives GP supporting extractives sector reforms, knowledge sharing and capacity building.

Advantages of the EGPS MDTF

- The old TFs were very narrowly defined which resulted in fragmented support and complex financing arrangements with multiple sources of funding to meet the clients needs. EGPS expanded the ability of the World Bank and Donors to support implementation of the EI reforms across the entire EI Value Chain within a streamlined single financing mechanism.
- In addition to more strategic, comprehensive and better coordinated products, this approach reduces administrative cost for both the trust fund management and the client.
- Five-year trust fund cycle will allow for larger country grants with longer implementation periods, reducing transaction costs.
- Work plan and budget cycle provides long-term planning of activities and improved donor and partner coordination.

Extractives Global Programmatic Support (EGPS)

Component 1:
*Supporting
implementation of EITI
and broader reforms on
sector transparency and
good governance*

Component 3:
*Supporting Extractive
Industries for Local
Content Development
(EILCD)*

**Overall Development
Objective**
Improve the ability and
capacity of current and
emerging resource-rich
developing nations in
using their oil, gas and
mineral resources
sustainably and
transparently for poverty
alleviation, shared
prosperity, economic
diversification, and
sustainable economic
growth

Component 2: *Building capacity
and supporting governments in
developing sound legal,
regulatory, contractual and
fiscal frameworks, contract
negotiation, and fiscal
management for the extractives
sector*

Component 4:
*Strengthening Institutions
for Growth through
Extractive Industries*

A comprehensive multi-donor trust fund to support the Extractives sector

EGPS – Transition

- EGPS was established in June 2015; closing date is June 2020.
- Five donors (Australia, Finland, Germany, Norway and Switzerland) currently support EGPS with contributions of US\$15 million, plus a contribution of EUR 5 million from the European Commission.
- After final disbursement of EITI-MDTF and EI-TAF, expected reflows to EGPS of approximately US\$10 million.
- Additional donors are expected to contribute soon.
- **Total expected balance in EGPS at December 31, 2016 – approximately US\$30 million**

EGPS Work Plan 2016

- Approved two tranches covering 15 Country-Level projects, 7 Global Projects, and Rapid Response – for a total of \$9 million, of which \$6.8 million are Pillar 1 (EITI and Transparency)
- As of August – around 11 activities are in implementation
- Evaluation for the 3rd Round proposals is ongoing with next work plan and budget expected approval in October 2016 (Steering Committee meeting in Kazakhstan)
- 3rd round would bring the EI TA support back to its 2015 level (before closure of EITI and EI-TAF) but in a more consolidated and strategic form.

Examples of current EGPS Support

- EGPS is currently supporting the following transparency focused programs:
 - Country level EITI programs in implementation: Albania, Ukraine, Mongolia, Senegal, Philippines (support includes production of EITI reports, mainstreaming assessments, dissemination and capacity building)
 - Country level EITI programs in processing: Nigeria, Ethiopia, Zambia, Iraq and Peru
 - EGPS provides direct support to International EITI Secretariat with development of the EITI Data Portal (portal launched in mid 2016 - see eiti.org) and carrying out mainstreaming pilots (eg in Kazakhstan) and validation of countries under EITI Standard.
- Support on legal/ regulatory issues approved and in implementation to-date: Africa Mineral Legislation Atlas (AMLA)



<u>Region</u>	<u>Country</u>	<u>Pillar(s)</u>	<u>Status</u>
<u>Africa:</u>	Cote d'Ivoire	1, 2	In progress
	Ethiopia	1	In progress
	Nigeria	1	In progress
	Senegal	1, 2	Under implementation
	Zambia	1	In progress
<u>East Asia and Pacific</u>	Indonesia - GPSA	1	In progress
	Mongolia	1	Under implementation
	Papua New Guinea	1	Under implementation
	Philippines	1	Under implementation
<u>Europe and Central Asia</u>	Albania	1	Under implementation
	Ukraine	1, 2	Under implementation
<u>Latin America and Caribbean</u>	Dominican Republic	1	In progress
	Peru	1	In progress
<u>Middle East and North Africa</u>	Iraq	1	In progress
<u>Global/Regional</u>	African Mineral Legislation Atlas (AMLA)	2	Under implementation
	ASM Database and Pilots	4	Under implementation
	Domestic Resource Mobilization	1, 2	In progress
	EITI COP Manager	1	Under implementation
	EITI International Secretariat (Validation, Training, Mainstreaming, Data)	1	Under implementation
	Local Content COP Manager	3	Under implementation
	Minerals and Climate Change	4	Under implementation



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EITI-MDTF Goal: Financing EITI Implementation

- The EITI multi-donor trust fund (MDTF) provided financing EITI implementation in in EITI Candidate countries for ten years and closed December 31, 2015.
- Fifteen donors contributed about US\$72 million over 10 years stretch (with periodic replenishments)
- On December 31, 23 active EITI country level programs were closed, US EITI SDTF continues support to 6 EITI countries until 2017/18
- EITI-MDTF was narrowly focused on EITI implementation (could not finance cadastre or laws/regulations or PFM)
- EITI support also provided through IDA (eg: Mozambique, Afghanistan), Bank DPOs (eg: Mozambique, Sierra Leone, Solomon Islands, Burundi), EFOs (eg: Myanmar), other programs (eg: GPF for PFM), and bilateral donors (eg: Tanzania, Indonesia)

EGPS Governance and Operations

- A **Steering Committee** composed of representatives from Donors committing at least **US\$2 million**, and chaired by the Energy and Extractives Global Practice Senior Director in the Bank will meet twice annually.
- A **Program Secretariat**, located within the Bank's Energy and Extractives Global Practice, will include a Program Manager and other Bank staff.
- **Technical Working Groups** may be proposed as relevant by the Program Secretariat to support specific aspects related to the various components.