



PROGRESS REPORT

Covering the period since inception - March 2012

**EI-TAF Donors Meeting
World Bank Group Headquarters
Washington, DC
April 19, 2012**

The World Bank

I. INTRODUCTION

This report has been prepared with a view to providing Extractive Industries Technical Advisory Facility (EI-TAF) donors with an update on progress made since the program's inception in 2009. The report is divided into three sections: Section One provides an introduction to and background on EI-TAF; Section Two provides an update on the current status of the Facility and its activities; and Section Three discusses emerging lessons. The financial report, including sources and uses of funds, will be provided separately.

Background—Objectives and Expected Outcomes

The objective of EI-TAF is to assist resource-rich, developing countries to correctly structure extractive industry transactions and related sector policies from the outset, thus reducing the risk of costly or politically difficult remediation at a later stage. The EI-TAF facilitates rapid-response advisory services and capacity building for extractive industry resource policy frameworks and transactions. EI-TAF also supports the production and dissemination of global knowledge products on extractive industry sector issues to help address the lack of an integrated body of good practice for sound extractive industry sector governance and management around proposed developments.

The expected outcome from EI-TAF assistance is to level the playing field and ensure that resource-rich, developing countries, and ultimately their citizens, benefit from the exploitation of their extractive resources. A robust, results-based performance framework, including quantitative and qualitative indicators, will be developed and used to evaluate EI-TAF interventions.

Key Components

The EI-TAF has two key components: (i) rapid-response advisory services; and (ii) global knowledge management/good practice in extractive industries sector governance in support of grant implementation.

(i) Rapid Response Advisory Services

Rapid-response advisory service activities by their nature cannot always be predicted, but are likely to focus on eligible countries with capacity needs in the following areas:

- Contract negotiation for extractive industry transactions, including the cost of logistics of such negotiations;
- Short-term capacity building for members of the beneficiary country's negotiation teams, including studies to prepare for negotiations;
- Technical assistance in support of a specific extractive industry transaction under review, to update the policy, institutional, fiscal, legal and regulatory frameworks of the country concerned, including revenue management and benefits sharing across levels of government and community; and

- Technical assistance on structuring extractive industry licensing rounds, public offerings (tender/auction), and competitive and transparent tender packages to help resource-rich countries optimize the value of national extractive industry resources.

In most cases, rapid-response advisory services are recipient executed as such services are channeled primarily to individual countries. Though none have yet been proposed, activities with regional/sub-regional organizations will also be considered under EI-TAF.

(ii) Knowledge Management

Knowledge management activities aim to facilitate the gathering and dissemination of good practices in extractive industry sector governance and support grant implementation through a standardized workshop around the *Extractive Industries Source Book*. A limited amount of funding from the EI-TAF is allocated to:

- Provide a framework of good practices and discussion of issues that may be relevant for governments facing the task of making extractive industry resources available to private investors;
- Gather and disseminate lessons of experience based on advisory services provided, including through publications, workshops, conferences, and the like; and
- Commission work urgently needed to address EI-TAF objectives (such as mining and infrastructure).

Demand-driven Approach

Provision of support for rapid-response advisory services is demand-driven. Requests for assistance are generated via:

- Direct requests from resource-rich, developing country governments;
- Sector dialogue between SEGOM and resource-rich client countries;
- Dialogue between other World Bank staff and resource-rich client countries;
- Commitments in World Bank Country Assistance/Partnership Strategies, linkages to World Bank lending operations, analytic work, technical assistance, and so on;
- Dialogue between other stakeholders (e.g., donor partners) and resource-rich client countries.

Requests for support for rapid-response advisory services are assessed along the following lines:

- Level of political commitment and national ownership. Degree of commitment of a government and stakeholders to implement sound sector governance, including readiness to move on reform steps needed.
- Country capacity gaps/needs. The assessed capacity gaps (especially in fragile states, IDA-eligible, and post-conflict countries) in a country in which the EI-TAF interventions could have a high pay-off and impact.
- Resource dependency and poverty impact. The size of the extractives sector and revenues to the economy and exports—and the poverty-alleviation potential from rapid-response advisory services.

- Demonstration potential in sub-region context. Potential for demonstration effect to “pull” other countries in the sub-region to adopt sound sector governance principles (e.g. Aynak Tender).
- Potential for sustainable investment. Impact in terms of facilitating sustainable private sector investment in the country’s extractives sector.
- Value for Money. Overall cost-efficiency of activities, which should aim to ensure value for money, consistent with appropriate standards of quality.

II. CURRENT STATUS OF ACTIVITIES

Rapid-response Advisory Services

Since the trust fund’s inception nearly three years-ago, over US\$6.2 million has been committed across the portfolio, financing 10 country-specific projects in Liberia (US\$1 million), Rwanda (US\$350,000), Kyrgyz Republic (US\$500,000), Sierra Leone (US\$750,000), Pakistan (US\$500,000), Mexico (US\$500,000), Guinea (US\$500,000 and US\$350,000), Mauritania (US\$500,000) and Mozambique (US\$750,000) (Annex Table 1). Another five projects, totaling about US\$2.50 million, have been proposed for implementation in the next few months (Annex Table 2).

The current allocation of projects reflects the distribution of the Bank’s policy support around oil, gas and mining. Bank task team leaders on this broader dialogue serve as the point of contact for EI-TAF requests, prepare documentation and supervise implementation of the grants. A concentration of mining-based EI-TAF grants reflects the activities of mining teams during the EI-TAF start up period (2009 – 2012); and the number of oil & gas grants is expected to increase as those teams engage in-country more deeply, and there are now a number of projects in the pipeline. Geographically, the portfolio of activities under EI-TAF spans the globe (Latin America, Africa, South Asia), but there is clearly a concentration of projects in Africa (Figure 1: Global Map of EI-TAF Activities). Moving forward, African countries will remain a source of demand for advisory services, but the team will work towards a more diversified country portfolio. Moreover, the portfolio also reflects a priority given to governments facing time-bound decisions around new proposals, selected from a larger pool that included the possible renegotiation of existing development agreements.

Figure 1: Global Map of EI-TAF Activities



EI-TAF Consultant Pool for Advisory Assistance

In an initial effort to expedite the deployment of advisers, the World Bank team pulled together a consultant roster on which EI-TAF recipient countries can draw. This roster is now being used to provide governments with vetted long or shortlists of consultants that fit the profile of the type of assistance sought.

Going forward, the EI-TAF proposes creating a mechanism whereby a group of pre-qualified consultants will be contracted through the Bank under a retainer-type arrangement. These arrangements will be particularly relevant in Bank-executed projects, allowing task managers to rapidly deploy experts on a short-term basis, enhancing grant administrative efficiencies.

Knowledge Management

The *Extractive Industries Source Book* (www.eisourcebook.org) is financed through a grant from the Development Grant Facility (DGF), and is the primary knowledge management tool and product, developed through the EI-TAF. The aim of the EI Source Book is to (a) directly support the EI-TAF in building capacity for large-scale transactions in the extractive industries in client countries, when used as a capacity building tool, and (b) be the nexus for the *Extractive Industries Task Group* (EITG) and the *Extractives for Development (E4D) Knowledge Partnership*¹ in meeting the demand to collaborate more effectively across the World Bank Group (WBG) and with external partners, including though the development of new EI knowledge products. The Source Book is being piloted as an orientation guide and knowledge resource for EI-TAF activities (i.e. EI-TAF Balochistan).

Through a global collaborative partnership, the preparation of the Source Book builds upon research from leading academic/research industry institutions having core specializations in the extractive industries. During the first phase of the EI Source Book Project (1.0), a series of activities are being carried out, which will be expanded during the second phase of its development (2.0).

Development of the EI Source Book is being led by the University of Dundee in partnership with the World Bank and the Global Knowledge Consortium.² To date, activities under the Source Book have included: (a) preparation of a narrative (guide) document on international good practice in the oil, gas and mining industries organized around the EI Value Chain; (b) development of an online wiki-like website to host the narrative, which is complemented by a comprehensive annotated bibliography, training materials, case studies, and other documents; (c) comprehensive knowledge gap analysis to guide the EI Task Group on the selection of frontier topics with operational relevance to be developed into knowledge products; (d) preparation of knowledge products to fill some of the identified knowledge gaps; and (e) establishment of a global consortium of knowledge centers on the extractive industries. Five principle knowledge products have been developed by our partners, including on: i) upstream gas terms; ii) granting mineral rights; iii) public infrastructure and mining; iv) community development agreements; and v) model mineral development agreements. In addition, preparation of three new knowledge products on resource corridors, geodata as a public good, and a template for contract disclosure was recently commissioned.

¹ The World Bank-led Extractives for Development (E4D) initiative aims to establish a formal global knowledge partnership to support international development partners—including governments, civil society, donors, bi/multilateral development banks, and industry—to better leverage natural resource wealth for development in resource-rich settings. Through sustained partnerships and collaboration the global platform will: (i) establish a “one stop” knowledge-hub for E4D, supporting learning between the global, country, and regional levels (including through vibrant and sustained on-line resources, such as the EI Source Book), (ii) advance knowledge around a set of demand driven operational frontline issues, and (iii) provide a platform through which international development partners, civil society, and private sector companies can collaborate to help oil, gas, mining resource endowed countries better leverage resources for development.

² The EI Global Knowledge Consortium (GKC) is led by the University of Dundee, and includes the Universities of Witswatersrand (South Africa) and Queensland (Australia), Adam Smith International (ASI), International Council on Mining and Metals (ICMM), Revenue Watch Institute (RWI), the African Center for Economic Transformation, Global Witness, and others.

In addition, in conjunction with the *E4D Knowledge Partnership* initiative, in Fall/Winter 2011 the Source Book underwent a series of three regional “soft launches” bringing together stakeholders from within the Bank, civil society, government and industry in (1) Jakarta, Indonesia (October 2011 to coincide with the EITI board meetings); (2) Tunis, Tunisia (November 2011 in partnership with the African Development Bank), and (3) Washington, DC (December 2011). These regional launches will culminate in a final launch expected to be held in Lima, Peru in June, 2012 in conjunction with the EITI Board Meeting.

Since 2012 marks the final year of DGF financing for the EI Source Book, activities for the following years will focus on the establishment of a sustainability plan for the Source Book as well as the establishment of an editorial board to vet new submissions of cutting edge knowledge to the Source Book, the development of a number of new knowledge products, and the development of integrated regional platforms.

III. Emerging Lessons/Issues

Now at a more advanced stage of operation some emerging lessons/observations from EI-TAF implementation to date include:

- **Bank v. Recipient Executed Activities:** As discussed in previous EI-TAF donor meetings, recipient execution of rapid response activities has proven difficult in many of our client countries, due to weak capacity and lack of experience with World Bank trust fund procedures on the part of the ministries usually involved. By contrast, those activities that have been executed by the Bank on behalf of the client were relatively more responsive to filling the capacity needed for a successful transaction, with quicker implementation on the ground.
- **Knowledge Dissemination:** Going forward, the EI-TAF team recognizes the need to create a standardized set of capacity building/training resources to provide an orientation around some basic concepts on the extractive industries. The training tools will be targeted toward community, civil society, and policy-makers, and will be organized around the EI Value Chain, focusing on issues such as legal and policy frameworks, gender and community benefits and consultation, developing economic linkages and integrated land use planning, and infrastructure. Training tools will be developed and hosted within the *Extractive Industries Source Book*. The aim of these tools will be to enhance the rapid response nature of the EI-TAF by providing stakeholders with an immediate, baseline knowledge of the oil, gas and mining industries.
- **EI-TAF Consultant Pool for Rapid Response:** As described above, over the next few months a mechanism will be established to pre-qualify a pool of EI-TAF consultants to be contracted through the Bank under a retainer-type arrangement. These arrangements will be particularly relevant in Bank-executed projects, allowing task managers to more rapidly deploy experts on the ground on a short-term basis.

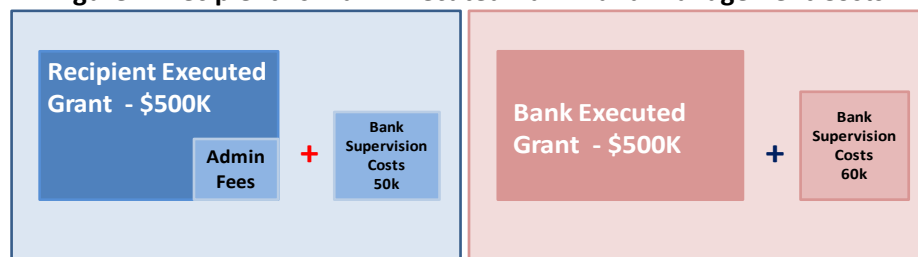
- **Expansion of EI-TAF Activities** - Going forward, the number of EI-TAF activities is expected to continue to grow through (a) SEGOM country-based activities including ongoing mining and a deepening of oil and gas dialogue at the front-line; (b) cross departmental support from other World Bank teams engaged on policy issues such as licensing, contract enforcement, fiscal regimes and revenues management; and (c) referral from other donor-led dialogue, as was the case in Sierra Leone and Rwanda. Beyond the expansion of existing activities, the EI-TAF will continue to receive requests to support capacity building around the negotiation of associated infrastructure (power, road, rail, pipelines and ports). This lends an opportunity for “greener options” that might include alternative site selection and routing, and cleaner technologies that might include hydro development. Our work in Guinea (Additional Financing) provides a good example of this trend.

Issues for Discussion/Decision by the Donors

- **Expanding the scope of EI-TAF:** Based on lessons learned during the first few years of operations and further discussions with EI-TAF donors, the EI-TAF team will continue to explore opportunities to expand the scope of the trust fund to provide support to capacity building around infrastructure, licensing, contract monitoring, and design of fiscal regimes and tax administration. These gaps were initially discussed with the International Monetary Fund (Managing Natural Resource Wealth Topical Trust Fund—MNRW), whose activities are focused further downstream on revenue management. As recommended during the last meeting with EI-TAF donors, the World Bank will host consultations with the IMF MNRW in conjunction with Donor meetings scheduled for April 2012.
- **Knowledge Component of EI-TAF:** A great deal of success has been achieved under the knowledge management component of EI-TAF through the development of the *Extractive Industries Source Book* and its associated knowledge products. However, as described above, CY12 marks the final year EI-TAF will receive support through the Development Grant Facility. As such the development of a sustainability plan for the Source Book is currently underway. The Bank fully recognizes the continued need to support the development of knowledge on extractive industries for frontline operations. Donors to the EI-TAF have expressed varying views around sustaining the knowledge component within EI-TAF after the closing of the DGF funds. This remains a point for discussion. Some donors have also expressed interest in the possibility of providing support for the Extractives for Development initiative (E4D) through the EI-TAF—also a point for discussion (see footnote 1 on page 5).

- Cap on Bank Staff Time:** As EI-TAF moves toward increasing its portfolio of *Bank-executed* activities in an effort to facilitate rapid-response advisory services, the current cap of 20 percent on costs associated with staff-time has become increasingly difficult to manage. The advantage of Bank-execution is that task managers within SEGOM, with strong sector expertise and a sound operating and management structure, can dedicate additional time and resources towards ensuring that client countries receive advisory support in a timely manner. Those costs that would typically be allocated under a *Recipient-executed* grant to maintain a project management unit in-country are capped for the Bank team for *Bank-executed* activities under the current arrangement (see Figure 2 below). Moreover, the Bank has moved towards a trend of providing for more flexibility with regards to staff costs for activities financed through trust funds. The Bank team would, therefore, like to propose eliminating or raising the ceiling on staff-costs for EI-TAF activities.

Figure 2: Recipient vs. Bank Executed Admin and Management Costs



Annex Table 1: Extractive Industries Technical Advisory Facility (EI-TAF) Current Projects

Project Title	Brief Description	US\$ 000'	Task Team Leader	Status
Guinea: Extractive Industries Technical Advisory Facility	Aimed at supporting the government to address key constraints to the realization of proposed large mining investments, specific activities as follows: (a) facilitate consensus and shared vision amongst stakeholders in the development of the mining and hydrocarbon sectors in Guinea—in response to a time-bound proposal for mining/infrastructure developments; (b) build the capacity of the GoG to review mineral development agreements in response to a time-bound proposal for mining/infrastructure developments; and (c) support updating of the legal, regulatory, and fiscal framework in the mining and hydrocarbon sectors.	500	Boubacar Bocoum	<p>The roundtable has been discussed several times with relevant government officials, while definitive dates will likely be set shortly.</p> <p>In addition, the assessment of three agreements has been completed, and a road map developed. The new mining code was enacted in September 2011.</p>
Kyrgyz Republic: Mining Sector TA	In the Kyrgyz Republic, EI-TAF financed a full review of the mining investment climate, including a review of licensing, legal, regulatory and institutional arrangements in support of the Togolak Gold Tender. Based on the review, which was shared with the authorities, a three-day seminar was organized to build capacity around mining legislation, regulations, fiscal arrangements, and on mining tender procedures.	500	Gary McMahon	<p>The Project will be implemented in two Phases. Activities under Phase 1 have largely been completed, while those in phase II are on-going:</p> <p>Activities that have been fully implemented include the following: (i) assisting and advising Ministry of Natural Resources (MNR) in reviewing relevant legislation regulating the mining sector; (ii) providing requisite training in structuring mining (namely gold) public offerings (tender\ auction) for designated staff; and (iii) assisting MNR in developing a model, competitive and transparent tender package for future tenders\auctions.</p> <p>In addition, the team continues to: (i) build the capacity of stakeholders involved in mining sector negotiations mainly within the MNR, but also including Ministry of Finance, Parliament and CSOs; and ii) assist and advise MNR on conducting the tender for the Togolok gold deposit.</p>
Liberia - Support from Extractive Industries - Technical Advisory Facility	The objective of this project is to assist the Government of Liberia to (a) build capacity with contract negotiations and management of mining concession process, and (b) move three identified extractive industries transactions towards contractual close. The Grant will provide technical advice on due diligence and evaluation of mining proposals, make recommendations on selection of proposals and on the required regulatory adjustments to provide level playing field for future investors. It will also provide capacity building to improve sector	1,000	Ekaterina Mikhaylova/ Mamadou Barry	This project has been successfully and fully implemented

	governance.			
Mauritania - Gas-to-Power Negotiations Technical Assistance Project	In line with the objective of EI-TAF to provide transaction-oriented consulting services, the activities under this project will finance capacity building aimed at moving the identified transactions towards contractual closing. In particular, Consultants will assist the Government of Mauritania's (GoM) negotiation team in: (i) structuring and reviewing the contractual arrangements related to the GoM's participation in the power utility company; (ii) reviewing the terms of the Gas Supply and Purchase Agreements; (iii) reviewing the contractual arrangements related to the construction and operation of the power plant; and (iv) defining negotiation strategies. However, negotiations will be conducted by the GoM's negotiation team without the participation of the Consultants. The Consultants will also develop recommendations on the required legal, regulatory, licensing, and fiscal adjustments driven by the transaction.	500	Silvana Tordo	This project was approved in early 2012, and was waiting an extension of EI-TAF's closing date, prior to initiating implementation. Now that the extension has been granted, the project will now proceed.
Mexico Royalties Reform for the Mineral Sector	This project aims to achieve the following objectives: 1) Support an assessment of Mexico's legal, fiscal and regulatory framework for the adoption of a new fiscal regime for the mining sector – in response to a rapid increase in in-bound investments; 2) Build capacity around international best practices on fiscal reforms for the mining sector with the consideration of the adoption of mineral royalty instruments vis-à-vis the Mexican framework in response to a rapid increase in inbound investments; 3) Support an assessment and build capacity around the implications for the adoption of royalties and other fiscal regimes for different Mexican stakeholders; and 4) Support the preparation of a consultation roadmap for the adoption of a new fiscal regime for the mining sector.	500	Daniele La Porta	All activities under this project have been successfully implemented. Some of the highlights from this project include: (i) Royalty Options Based on a long- list of best practice “royalty” options identified and presented by the World Bank team, three fiscal options were jointly selected by the Secretaria de Economia and Secretaria de Hacienda. A detailed roadmap was prepared and discussed with Secretaria de Economia listing the alternative steps that would be necessary for the implementation of a royalty scheme. After the selection of the royalty type, a selection of the best legal approach to carry out the necessary reforms was presented. (ii) Community development investment In discussions with policy-makers there was a strong preference not to create a new statute requiring a tax revenue distribution system, but an acceptance that direct investment by miners in mining community development should be encouraged. The proposed example legislation presented in the report was discussed and a roadmap was prepared, taking into account the different options and respective timetable for the fiscal reform. (iii) Amendments to mining law and regulations The review of

				Mexico's current fiscal regime for the mining sector identified the need for updates to the current mining law and regulations so that the sector is in line with best international practices.
Mozambique: Extractive Industries- Technical Advisory Facility	Aimed at addressing immediate regulatory and capacity bottlenecks towards successful negotiations of new mineral development agreements, the activities under this project include: (a) supporting government's negotiations and technical teams on Chibuto Mineral Sands Project tender; (b) updating mining cadastre to enable issuance of large-scale mining licenses through tenders in accordance with regulations; and (c) updating the current legal and regulatory framework for the management of large-scale mining associated with the tender.	750	Ekaterina Mikhaylova	In November 2011, the Ministry of Mineral Resources requested to include new eligible activity for this grant – specifically support for liquefied natural gas (LNG) infrastructure negotiations. As a result, the grant closing date will be extended until June 30, 2013 to allow for sufficient time for implementation. There has been some grant implementation delays due to (i) a delay with opening the designated account (now opened); and (ii) delay on the Chibuto tender due to non-compliance of the investor (the framework agreement with the investor was cancelled in November 2011; the new bid was issued in December and the proposals are due in April 2012 -- thus the grant will provide assistance only starting in April, starting with the bids evaluation). The mining cadastre contract is under review.
Pakistan (Balochistan) Technical Advisory Facility	Launched in August 2011, the EI-TAF assistance to the mineral rich province of Balochistan focuses on building capacity in one of the country's most impoverished and perhaps unstable regions, where if structured properly, the mining sector could have a significant impact on the economic development of the province and the communities around a mine. As the provincial government embarks on awarding one of the country's first contracts for large-scale mining, capacity building is in response to a time-bound proposal for resource developments and will center on: (a) global norms to establish governance and support policy formulation, leading to strong mineral development agreements and (b) the evaluation of technical reports, including feasibility studies associated with the award of mining concessions.	500	Daniele La Porta	In October 2011, in coordination with Balochistan and federal counterparts, the World Bank team carried out the first two workshops to introduce global norms of large-scale mineral development to a mix of policymakers, civil society representatives, media reps, and community leaders. The workshop was held in Islamabad and was facilitated by a team of mining industry experts, aimed at training key stakeholders on global mining norms. In April 2012, the World Bank team hosted, in collaboration with other donors, a round table discussion, targeted towards provincial secretaries (mining) from around the country and relevant representatives of the federal government. The round table was lead by the government and aimed to build capacity around sector promotion and to establish a forum for dialogue between provinces.
Rwanda - Support from Extractive Industries Technical Advisory	Aimed at supporting the Government of Rwanda in the preparation, negotiation, and finalization of a Production Sharing Contract (PSC), this project consists of the following	350	David Santley	After some delays in initiating the implementation of the Grant activities, Rwanda is now making good progress. A draft Production Sharing Contract (PSC) has been prepared and the

Facility	activities: (a) technical advice on drafting and negotiating PSC, (b) designing an economic/fiscal model to assess the fiscal and financial impact of proposed contract terms under a variety of economic conditions of the Recipient; and (c) preparation of a medium-term and final report on the final outcomes of PSC.			economic and technical reports have been delivered. An important negotiation session with the investor is scheduled for early 2012 after which the PSC will need to be finalized and the enabling policy and legislation drafted. The GoR has prepared a Work Plan detailing the timing for these activities, which has been reviewed by the Bank team and found to be acceptable.
Sierra Leone Technical Advisory Facility	The Grant will finance the services of a multi-disciplinary team of five specialists to build capacity of Government of Sierra Leone (GoSL) to review existing mining development agreements and negotiate new ones. The objective of the project is to strengthen the Government's capacity to assess time-bound investment proposals, review or negotiate terms for mining development agreements (in line with the Mines and Minerals Act of 2009), and manage the concession granting process.	750	Mamadou Barry	Implementation of this project is still at a very early stage. A \$600K legal contract is being finalized. The project team is considering additional funding of about \$200K to add assistance with oil block bidding round.

Annex Table 2: Extractive Industries Technical Advisory Facility (EI-TAF) Potential Pipeline

Country	Background	Proposed Objectives	Sector	Implementation Period (estimate)	US\$ 000' (estimate)
Colombia	One of Colombia's strategies to increase the developmental impact of the exploitation of its best mineral assets was the creation of strategic reserves for key minerals such as gold, PGEs, copper, iron-ore, phosphates, uranium and coal. The strategic mineral reserve areas are to be tendered to increase the level of technical, environmental and social responsibility, which makes for a more rational use of strategic minerals owned by the country aiming at obtaining the best conditions and benefits for the state.	The objective of the EITAF Grant would be to support the Government of Colombia (GoC) in the preparation of template tendering documents for selected strategic mineral reserve areas. The activities would include an evaluation of the "auctionability" of the selected areas. Deliverables would include tendering packages for up to three strategic mineral reserve areas to be selected. It is expected that the tenders be carried out by the GoC resulting in new exploitation concessions with better terms for the country.	Mining	July 2012 – May 2012	500
Guinea – Second Phase	Second phase funding. First phase aimed at supporting the government to address key constraints to the realization of proposed large mining investments, specific activities as follows: (a) facilitate consensus and shared vision amongst stakeholders in the development of the mining and hydrocarbon sectors in Guinea—in response to a time-bound proposal for mining/infrastructure developments; (b) build the capacity of the GoG to review mineral development agreements in response to a time-bound proposal for mining/infrastructure developments; and (c) support updating of the legal, regulatory, and fiscal framework in the mining and hydrocarbon sectors.	The objective of the proposed second phase of funding under the Guinea EI-TAF grant is to provide the government with advisory services aimed at strengthening its technical and financial negotiation skills on mining ancillary infrastructure to enable meaningful progress toward infrastructure licensing and development in the short term, and in so doing create conditions for the mining companies to fulfill their engagement to exploit and export iron ore within the next 2-3 years.	Mining		350
Mauritania		The objective of the activity would be to enhance Government of Mauritania's negotiation position and capacity prior to final negotiations of mining deals in 2012/13 with Xstrata (iron ore), Kinross (gold), Bumi (iron ore).	Mining	June 2012 – February 2013	500
Pakistan (Punjab)	In response to a transfer of power for the federal government to the provincial mining and minerals department, the provincial government of Punjab has requested support to develop a tender methodology for an iron ore deposit.	The objective of this activity is to provide support to the provincial Government of Punjab (GoP) on the tender of an iron ore deposit. Support will include a review of the province's fiscal, legal and policy frameworks.	Mining	June 2012 – Dec 2012	250

Seychelles	The Seychelles intends to conduct an open tender to solicit proposals from international oil companies (IOCs) to enter into petroleum agreements with the Government. Public announcement of the bid round tender is expected to be made in April 2012 and will be followed by a six-nine month period during which the bid round will be promoted, proposals will be received and evaluated and petroleum agreements will be negotiated.	The proposed EI TAF grant will support the engagement of a legal consultant(s) to assist the Government of the Seychelles in the preparation of a draft petroleum agreement, bid round legal documentation and the negotiation of final petroleum agreements.	O&G	July 2012 – March 2013	500
Yemen	In 1997, a group of foreign and domestic companies established the Yemen LNG Project. Of the 16.9 TCF of estimated reserves in Yemen only 10.3 TCF have been formally certified. Given that the definition of “estimated reserves” can vary depending on the country, only certified reserves that have been confirmed by a reputable third party E&P company can be trusted to exist. Under the terms of the YLNG agreement, 10.1 TCF of the certified reserves were specifically allocated to YLNG. The time-bound decision is that the Yemen Gas to Power Program (YGPP) anticipates the installation of additional generation capacity, for which investments need to be attracted. The absence of certified gas reserves is hampering the implementation of the YGPP.	The objective of this activity would be to support the Government of Yemen to certify, confirm commercial viability, and allocate gas reserves to be used for domestic power generation. At a minimum this should include the Block 5 and S2 reserves that can be used for power generation in addition to the 1 TCF of gas allocated under the YLNG agreement.	O&G		750
Extractives for Development Initiative (E4D)	There is an emerging consensus that discovery and depletion of extractives has, when properly guided, the potential to drive broader economic growth and poverty reduction objectives. Achievement of these outcomes requires an integrated approach across all links of the extractive industry value chain. Integration is promoted by investing in governments, civil society/citizens, the private sector, and development partners with effective knowledge and partnerships to leverage natural resource endowments for broad-based development.	E4D’s work program focuses on the generation, dissemination and application of knowledge that responds to client demand and can be adapted to diverse country contexts. The work program has three components: 1) advancing knowledge on demand-driven operational issues; 2) promoting global partnerships and collaboration on the E4D knowledge, advocacy and operational work; and 3) supporting frontline, operational assistance to country clients.	Global knowledge	July 2012 – June 2014	350