

Beneficial Ownership Work Plan

1. Introduction

The Myanmar Extractive Industries Transparency Initiative (MEITI) – as with all other EITI implementing countries - has until 1st January 2020 to ensure that all oil, gas and mining companies disclose their beneficial ownership information (including information about Politically Exposed Persons' interests) and that this information is publicly available.

MEITI has already produced a beneficial ownership roadmap which provides the framework for the implementation of beneficial ownership (BO) data collection and disclosure. This document develops this roadmap into a detailed work plan.

2. Phases of the Work Plan

The work plan recommends two main phases to implementation.

- **First Phase (present – January 2020):** Under EITI, BO and PEP disclosure is required of all companies in the extractive sector, including companies that fall under the EITI materiality threshold. Given the tight deadline, this presents a considerable challenge to the Multi-Stakeholder Group (MSG) and the Government.
Therefore, the first phase of this work plan (which begins immediately) focuses on a feasible approach to meet as far as possible the January 1st 2020 deadline.
 - **Who will collect BO information during the First Phase?** The proposal is that in the first phase, the two respective line ministries – MONREC and the MOEE (and/or their respective SOEs) – are responsible for data collection, with legal or administrative instruments which facilitate this process.
 - **Who will provide BO information during the First Phase?** Drawing from the experience of the BO Pilot, BO information be disclosed by a representative group of companies operating or bidding in the extractive sector selected based on criteria agreed by the Beneficial Ownership Task Force (e.g. the selection of the first group may exclude operators such as artisanal miners).
 - **How will BO information be disclosed during the First Phase?** To increase efficiency (time and money) and avoid any procurement delays, BO information will be disclosed on an existing web platform, such as the Myanmar EITI website or an existing government website.
- **Second Phase (from January 2020):** The second phase focuses on all subsequent activities to expand the scope and depth of disclosure and to mainstream processes within government. The goal of the second phase will be for a mainstreamed approach to data collection and publication, potentially led by a single agency, which will require beneficial ownership information (and updates whenever required) to be provided and verified on registration. From this phase onwards BO information will be required of all companies in the extractive sector, in full compliance with the EITI Standard.

This staged approach does not fully meet the EITI requirement for disclosure by all companies by 1 January 2020, and it must be discussed and agreed with the EITI International Secretariat.

It will be the task for the newly constituted Beneficial Ownership Task Force to discuss and review this draft work plan and liaise with the EITI International Secretariat for their feedback before submitting to the Multi-Stakeholder Group for approval. Any delays to the setting up of the BO Task Force should not impact timings for the pilot.

3. Capacity Building and Communications

The BO concept is relatively new to Myanmar. While considerable initial efforts have been made to increase general awareness of the concept of BO in Myanmar, feedback from government and industry and CSO representatives suggests that the majority of stakeholders would benefit from further awareness raising and capacity development assistance to ensure that 1st January 2020 deadline is met.

For that reason this plan incorporates activities that will support informed policy dialogue on BO, and facilitate effective implementation of this BO Roadmap. The communications and capacity building activities take into consideration lessons learned from past events conducted in country (shared by NRG, UNDP and others), as well as international experience implementing BO reform provided by the EITI International Secretariat and the consultants.

Objectives. The key capacity building and communications objectives in this plan are listed below:

- To raise general awareness of the concept of BO (clarifying the difference between BO and first-level legal ownership as currently required by DICA);
- To increase commitment (and reduce resistance) to BO disclosure;
- To enhance government technical capacity to drive and implement the EITI requirement for BO disclosure;
- To increase awareness and understanding of BO in relevant sub-national administrations;
- To support industry to comply with the EITI requirements for BO disclosure;
- To provide guidance to CSOs, media and other relevant organisations on how to use and interpret BO information;
- To provide guidance to relevant government agencies on how to use and interpret BO information; and
- To provide the foundations for mainstreaming of BO within Myanmar.

Stakeholders. The outreach and capacity building activities in this plan are designed for the following stakeholders:

- Executive
 - Government overall
 - Sector ministries (MONREC and MOEE)
 - Sector SOEs
 - MOPF
 - Sub-national administrations
 - Other relevant government agencies (Anti-Corruption Commission, DICA, Central Bank, FIU)
- Legislature
 - Natural Resource Committees (Upper and Lower House)
 - Bills Committees
 - Public Accounts Committees
- Industry
 - Oil and gas companies
 - Oil and Gas Operators Group
 - Mining association (Myanmar Federation of Mining Associations - MFMA)
 - Mining EITI reporting companies
 - Mining EITI non-reporting companies
 - Gems and jade association (Myanmar Gems and Jewellery Entrepreneurs Association - MGJEA)
 - Gems and jade EITI reporting companies
 - Gems and jade EITI non-reporting companies
- Civil society and media organisations

Approach to capacity building and awareness-raising. Where deemed applicable and suitable, we propose a cascade model of capacity building in order to reduce cost and dependence on external support. This model envisages that (at least) one National Coordination Secretariat (NCS) representative is trained in specific subject areas needed for BO reform, so that all further training and awareness raising activities are delivered with minimum external assistance.

We also propose that suitable representatives from the sectoral industry associations (mining, gems and jade) and CSO be identified and trained to provide implementation support to their members. Their participation will ensure a cost-effective way to reach a large number of companies and CSO organisations relatively quickly.

4. Resourcing

The work plan identifies resourcing needs, including budget estimates and potential sources of funding.

- **NCS resourcing**

The successful implementation of this BO work plan is highly dependent on adequate human resourcing. It is envisaged that the NCS provide critical, continuous and hands-on support for BO implementation, e.g. secretarial support to the BO Task Force, undertaking BO communications and awareness raising activities, managing stakeholder coordination, administration and logistics.

Given the limited time for implementation, **this Plan recommends the timely appointment of a full-time BO expert within the NCS**, who would profit from the experience gained through the BO Pilot. For the successful implementation of this Workplan, it is critically important that continuity and commitment to this position are ensured.

- **External resourcing**

A number of activities would benefit from externally-provided technical assistance. Potential sources of funding include the World Bank, the EITI International, and the DFID Extractives Hub (for rapid and short-term assistance).

External assistance for Phase 1 could be organised in the following way¹:

Type	BO reform assistance	Communications assistance	Legal assistance	Study tours
Description	Support the implementation of the BO work plan; train trainers; provide on demand, flexible TA	a) Design public awareness campaign and b) support public awareness activities.	Review existing legal landscape for BO and advise on a) quick win legal instruments, and b) long-term solutions	Targeted peer-to-peer learning for a) government officials, and b) CSO and media organisations
Duration	June 2018 – January 2020	October 2018 & November 2019	June – August 2018	July/August 2018 & December 2019/January 2020

¹ The table does not include support for activities 1 to 7, assistance for which is already secured under the ongoing ASI project.

Workplan activities	11, 14, 18, 19, 20, 23, 24, 25, 26, 31, 32	29, 34	13, 15, 36	16, 33
Estimated budget ²	Ranging between \$69,000 and \$103,000	Ranging between \$7,000-\$14,000	Ranging between \$15,000 and \$45,000	Depending on destination and number of attendants
Notes	These activities can be procured as one package or in separate projects, depending on availability of resources, procurement modalities and the circumstances at the time			Possibly funded by EITI International

In Phase 2, likely resourcing needs would include

- **BO platform development.** Activities include development of a BO platform/DB, and provision of guidance and training to implementing government agencies and industry (activity 36). Anticipated timeline from March 2020.
- **BO reform assistance:** Activities to expand the scope and depth of disclosure (including subnational dimension, artisanal and small scale mining) and to mainstream processes within government (activities 35 and 36). Anticipated timeline from January 2020.

² Detailed estimates are provided below.

Beneficial Ownership Task Force Work Plan

Objective	Activities	Owner	Timeframe	Support			Necessary materials		
				External support needed?	Dependencies	Estimated TA budget			
Create a mechanism for BO implementation	1. Establish a Beneficial Ownership Task Force to drive the process forwards	MSG	May 2018	Yes (TA)	Support already secured		ToR		
	2. Capacity building workshop for BO Task Force members and NCS BO expert on issues relevant to BO: 1 full day	MSG/NCS	June 2018	Yes (TA)			Training materials; Country case studies		
Implement BO Pilot project	3. Awareness raising events for industry - 2 workshops	MSG/NCS	April-May 2018	Yes (TA)					Presentation and comms materials. Key messages: - BO disclosure is becoming standard practice internationally - Key benefits for companies - This is part of the government's commitment to EITI and therefore will be a requirement starting 2020
	4. Pilot: capacity building workshops for volunteering companies - two one-day workshops	NCS	May 2018	Yes (TA)					Training materials and guidelines for industry
	5. Pilot: training for NCS and government on data collection and verification	Technical advisor	May 2018	Yes (TA)					
	6. Pilot data collection and verification	NCS, relevant government agencies	May-June 2018	Yes (TA)					Data collection forms and database
	7. Pilot: Lessons learned report	NCS , MSG	June 2018	Yes (TA)					Report, which will

Objective	Activities	Owner	Timeframe	Support			Necessary materials
	which recommends scope for BO Disclosure in Phase I ³						inform approach to BO implementation
	8. Pilot: Press conference and launch of the Pilot Prototype, award of certificates for pilot companies	MSG/NCS	July 2018	No		Operating cost	Prototype updated Comms materials Certificates
	9. Showcase Myanmar's Pilot at the EITI International Conference 2019	MSG/NCS	Q1 2019	Yes (travel)	Depends on No of people and destination		Presentation
Affirm Government commitment to EITI and BO implementation	10. High level government press release about EITI Reports and commitment to BO disclosure (BO Task Force, BO pilot).	President's office	July 2018	Yes	Coordination with EITI Intl	Operating cost	Press release and fact sheet. Key messages: the Government is committed to extractives transparency and BO; participating companies are recognised
Develop the legal and institutional framework for BO disclosure	11. Stakeholder consultation (within government) regarding the scope of BO disclosure: <ul style="list-style-type: none"> multi-sector or sector specific; which companies must disclose in Phase 1. 	BO Task Force supported by NCS	June 2018	Yes (TA)		\$2,000	Country case studies Pros and cons analysis
	12. Coordinate and agree the preferred approach with EITI International.	BO Task Force/MSG	June 2018	No		Operating cost	
	13. Legal Review with the following elements: <ul style="list-style-type: none"> Review relevant national laws and regulations to assess whether the current BO and PEP definitions align with the 	BO Task Force/ MEITI Working Committee	June-July 2018	Yes (TA)	Depends on selected legal/administrative instruments	Between \$10,000 and \$40,000	Full set of relevant laws and regulations, Legal Review Presentation, Legal review, options paper specifically for

³ Draft and final report prepared by ASI

Objective	Activities	Owner	Timeframe	Support			Necessary materials
	<p>existing national legislation and help finalise the definition of beneficial ownership</p> <ul style="list-style-type: none"> • Identify options for quick-win legal or administrative instruments to facilitate BO disclosure by January 2020 (e.g. Decree, formal Notification and/or legal amendments) • Consultations with Parliament (if required) on proposed institutional arrangements and legal or administrative instruments (incl. sanctions and incentives, verification) • Draft legal/administrative instruments (government notification/decrees etc.) where required • Recommend long-term solutions (after January 2020), i.e. amendments in the legal framework, EITI law or other 						Parliament
	14. Stakeholder consultation to determine who should collect BO by identifying the focal agency(ies) that is (are) best suited to collect, verify and disclose beneficial ownership information.	BO Task Force/MEITI Working Committee	June-July 2018	No		Operating cost	
	15. Decision on proposed institutional arrangements and legal or administrative instruments (incl.	BO Task Force supported by	July/August 2018	Yes (TA)		\$5,000	Presentation and hand outs Legal review

Objective	Activities	Owner	Timeframe	Support			Necessary materials
	sanctions and incentives, verification)	NCS					
	16. Targeted study tour for government to build capacity for legal amendments and inform BO platform development	BO Task Force/Working Committee/ Focal agency(ies)	July/August 2018	Yes (travel)	Depends on number of people and destination		
	17. Review and approval of legal/administrative instruments	Approval authority depends on the type of instrument adopted	September 2018	No		Operating cost	
	18. Design of a public awareness campaign and undertake public awareness activities on BO requirements	MSG/NCS/Focal agency(ies)	From October 2018	Yes (TA)		\$25,000	Comms materials
Develop procedures, mechanisms and capacity for data collection and disclosure	19. Stakeholder consultation (Focal agency(ies) and industry) on disclosure platform/processes	BO Task Force supported by NCS	August 2018	No		Operating cost	International template examples
	20. Finalise BO reporting templates with input from stakeholder consultations and Pilot findings	BO Task Force supported by NCS/Focal agency(ies)	September/October 2018	Yes (TA)		\$2,000	International template examples
	21. Agree on publication/disclosure platform ⁴	BO Task Force supported by NCS/Focal agency(ies)	September/October 2018	No		Operating cost	
	22. Agree scope for BO disclosure (if any) in the EITI Report due March	BO Task Force/MSG	September/October 2018	No		Operating cost	

⁴ It is assumed that an existing platform (such as government or the Myanmar EITI website) will be used at this stage, to reduce the time and cost necessary for disclosure. If a new, tailor-built platform is to be developed, then this Workplan needs to be amended to reflect budgetary and time implications.

Objective	Activities	Owner	Timeframe	Support			Necessary materials
	2019						
	23. Develop data provision/upload guidance for companies	Focal agency(ies) supported by NCS	October/December 2018	Yes (TA)		\$5,000	Guidance to companies on BO reporting
	24. Develop data collection and verification guidance for implementing government agencies	Focal agency(ies) supported by NCS	November 2018-January 2019	Yes (TA)	Depends on the adopted solution and number of agencies involved	Ranges from \$5,000 to \$10,000	
	25. Training for BO implementing government agencies and NCS on new regulations, and templates, data collection and verification procedures, data disclosure (number and frequency of training sessions depends on adopted solutions)	Focal agency(ies)/ NCS	February-March 2019	Yes (TA)		Ranges from \$10,000 to \$30,000	Government guidance Training materials
	26. Train trainers from industry associations on new requirements, templates	Focal agency(ies)/ NCS	February-March 2019	Yes (TA)		\$8,000	Industry guidance Training materials
	27. Establish a Technical Group comprising all trained BO Trainers' (government, industry, CSO) and led by the NCS BO expert to coordinate capacity development activities	NCS	April 2019	No		Operating cost	
	28. Training for Phase 1 reporting companies on new requirements, templates	NCS/focal agencies/industry associations	April-September 2019	No	Dependent on venue and number of companies		Industry Guidance Training materials
Roll out / implementation	29. Communications strategy and public launch of BO disclosure process	MSG/Focal agency(ies)	August-September 2019	Yes (TA)		Ranging from \$5,000-\$10,000	Press release Comms materials
	30. Collection of BO information	Implementing agency(ies)	September-December	No		Operating cost	

Objective	Activities	Owner	Timeframe	Support			Necessary materials
			2019				
	31. Training for CSO and media organisations on using BO data for different applications (e.g. tax, money laundering analysis etc.)	NCS	November 2019	Yes (TA)		\$6,000	Training materials for CSOs and media Case studies
	32. Series of training sessions for relevant government agencies (tax/revenue, anti-corruption and others) on using BO data	NCS	December 2019-March 2020	Yes (TA)	Dependin g on venue and number of participant	Ranging from \$6,000- \$15,000	Training materials for government agencies Case studies
	33. Targeted study tour for CSO and media organisations on using BO data	NCS	December 2019- January 2020	Yes	Depending on number of participant and destination		
	34. Public launch of BO online register	President's office or the Working Committee	December 2019	Yes (TA)		Ranging from \$2,000- \$4,000	Press release Comms materials

PHASE TWO (from January 2020)

Phase 1: Lessons learned	35. Review of implementation, lessons learned, gaps etc.	BO Task Force/ NCS/Focal agency(ies)	February 2020	Yes (TA)			
Development of long-term solutions	36. Based on lessons learned from Phase 1, prepare the next stage work plan, which will include: <ul style="list-style-type: none"> - a national/sub-national dimension (including ASM) - legal amendments - development of BO collation/disclosure platform etc. - capacity building and awareness raising for companies nationwide 		March 2020	Yes (TA)			

Figure 1: Gantt Chart

