Results Measurement and Impact Assessment in EITI:
a review of best and current practice

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a Review of Best and Current Practice

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**This report was drafted prior to the COVID-19 pandemic.
An addendum discussing the pandemic's implications follows the Executive Summary**

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EXECUTIVE SUMMARY

EITI has developed significantly since its launch in 2002, expanding its membership and substantive mandate. This development has boosted EITI's potential for impact, but has also increased pressure to deliver evidence of results. EITI stakeholders must increasingly consider a "*so what* question" about whether EITI actually makes a difference.

In response to that challenge, this review aims to provide the EITI Board and International Secretariat (IS) with a point of departure for developing and strengthening EITI's approach to monitoring, evaluation and impact assessment. It does so by first considering emergent best practice in results measurement for multi-stakeholder transparency initiatives, then assesses current measurement and evaluation practices across the EITI initiative. It concludes with a gap analysis that suggests broad areas and specific activities for improving EITI's approach to results measurement and evaluation.

Best practice

There is increasing recognition in international development and governance communities that results measurement deserves more nuanced and thoughtful attention than it often receives. Considered as part of a results chain, in which inputs lead successively to outputs, outcomes and long-term impacts, there is increasing uneasiness with simply attributing long-term impacts to individual transparency initiatives. This has led to a move away from simple attribution models for measuring results, towards contribution analyses that acknowledge the complicated environments in which transparency and multi-stakeholder initiatives often operate.

Simultaneously, monitoring and evaluation best practice has increasingly emphasized a learning and adaptation perspective best described as user-centric. With this approach, measurement frameworks are designed to support specific uses for the evidence they will produce. This may involve using evidence externally to demonstrate results, or using evidence internally for learning and adaptation to improve results.

Applying this logic to the EITI context suggests that EITI stakeholders have at least three key demands for high quality evidence of results:

> Evidence is needed **to improve implementation** on a running basis, to understand "what works" based on early results, and to help MSGs and the IS adapt implementation to changing conditions and assumptions.

> Evidence is needed **to justify the EITI**, demonstrating to national and international stakeholders why the EITI matters and deserves their support.

> Lastly, evidence is needed **to promote the EITI** and recruit new countries and supporting companies to the initiative.

Viewed together, these perspectives highlight a tension between the need to improve measurement of results at the country level and in aggregate. They also help to manage that tension, by aiding prioritization of different evidence needs, and evaluating the costs required to meet them.

Other multi-stakeholder and transparency organizations face similar challenges, and have responded to them in different ways. A review of prominent initiatives[1] reveals no consensus about how to measure results, or how to balance the tension between country-level and global evidence demands, but suggests several insights relevant to strengthening EITI's approach. In particular, a review of best practices suggests that

1. most organizations find that a careful measurement of key outcomes provides greater value than measuring long-term socio-economic impacts;
2. institutionalizing learning processes can have transformational benefits;
3. the degree of EITI's diversity and ownership challenges is unique in the multi-stakeholder transparency space; and that
4. there is an opportunity for global leadership in managing the results discourse.

EITI impact and measurement
A review of academic research on EITI results suggests that it has very limited utility for the evidence needs described above, both because there is a tendency to not prioritize practical research questions, and due to the poor accessibility of academic studies.

A review of EITI measurement practices at the country level and in the IS suggests that current practices are generally not meeting EITI's evidence needs. Country-level measurement is generally motivated either by a perceived need to satisfy external stakeholders, or to ensure compliance with the Standard, often resulting in a box-ticking approach to measurement. For the IS, measurement processes are largely oriented towards Validation, and generally fail to meet evidence needs for implementation, justification, or promotion. The exceptions to this are KPIs and donor-reporting frameworks, which monitor progress towards IS operational objectives, but meet those evidence needs only narrowly.

In considering the gap between measurement practice and evidence needs, this review notes significant ambiguity and lack of coordination across EITI. This underpins more obvious obstacles, such as the lack of technical, human and financial capacity for measurement, particularly at the country-level. It also notes that diversity in country contexts presents a significant obstacle to developing a standardized measurement framework. The most fundamental and consistent challenge, however, is that current measurement practice seems to be motivated by external demands, and is therefore not designed to meet EITI's evidence needs. Those needs are, moreover, not clearly defined within the initiative.

Better defining and prioritizing evidence needs is a first step towards improving EITI measurement practice. Doing so will also help manage the tension between country-level and global assessment.

Options and opportunities to strengthen EITI practice

This review identified three primary demands for evidence of EITI results. A gap analysis concludes that EITI current practice is not significantly addressing any of those demands, due primarily to a lack of clarity and capacity regarding results measurement and impact assessment across the organization. To begin filling those gaps, this review suggests three strategic objectives and five opportunity areas in which to invest.

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[1] OGP, OCP, CoST, GIFT, TAI, GI, NRGI and PWYP, see section 2.2 for details.

Table 1: Strategic objectives and opportunity areas to improve measurement practice

Strategic objectives	Areas of opportunity
EITI should develop measurement systems that are: ● <u>use-focused</u>, to meet actual demands for evidence and to add actual value ● <u>learning-focused</u>, to build sustainability and impact of measurement systems ● <u>country-focused</u>, to better understand results and be realistic about constraints	Grouped investments in better measurement in the following areas can help identify opportunities, resources, and synergies: 1. Development of country capacity 2. Organizational culture of learning 3. Information systems in the IS 4. Taking international leadership 5. Independent evaluation

Specific activities to advance these strategic objectives are presented for each of the five opportunity areas, together with an indication of expected costs, benefits and timeframes.

Based on that analysis, this report suggests a prioritization framework for specific activities and investments. Doing so distinguishes between activities that can be pursued in the short term and at minimal expense ("quick wins"), and key activities that require some preparation and longer-term investment. These activities are considered critical to developing EITI's approach to measurement, and are presented in the table below. A detailed presentation of these and other activities is found at the end of this review.

Table 2: High priority activities for strengthening measurement and learning capacity
(for details, see the page number noted in parentheses)

Quick Wins	Key mid-term investments
● Adopt GIZ Guidelines for national M&E, support country implementation (34) ● Produce a new Guidance Note on Requirements 7.4 and 1.5, to support better work planning and reporting (34) ● Don't measure long-term development "impacts", focus on outcomes in countries' results chains (36) ● Establish a platform and mandate for centralized evidence in the IS (36) ● Begin building an organizational impact narrative that promotes good practice, builds understanding, and manages expectations (39)	● Develop a country-sensitive international measurement framework through a country-led process (39) ● Resource a senior learning officer in the IS (41) ● Identify, share and reward measurement and learning by MSGs (35) ● Strengthen systems to capture evidence of success and failure, beyond Validation and beyond the Standard (36) ● Institutionalize learning through dedicated processes, such as a quarterly learning meeting and criteria for hiring. (42)

ADDENDUM ON THE IMPLICATIONS OF COVID-19

The COVID-19 pandemic poses a number of challenges to EITI. Economic downturns and shocks to extractive revenue are likely to exacerbate resource constraints on National Secretariats and MSGs. This will be especially challenging for developing countries reliant on international aid and foreign direct investment. National implementation may also be constrained by logistical aspects of lock-downs, as MSGs adapt to virtual activities.

Transparency advocates also worry the crisis and its response will detract attention and political support from EITI's mandate. The urgency of pandemic response can obscure the fact that many responses, such as contract tracing and limits on physical movement, imply limits on civic space, and may prove difficult to roll back when they are no longer strictly necessary.

Simultaneously, the crisis highlights the importance of a multi-stakeholder approach to governance, and the link between transparency and trust in government has never been more palpable. It is in this sense that the COVID-19 pandemic might represent a critical juncture for governance, one that can shape global politics and cooperation for generations.

Implications for Measurement and Impact Assessment

This interviews and data collection for this report took place before the scope of the COVID-19 pandemic was widely recognized. This report has not been revised to account for these events, and at time of writing, their implications are still not fully understood.

Nevertheless, the following points should be kept in mind when reading the report in the context of COVID-19.

1. Measurement matters now more than ever
   The three evidence demands highlighted in this report take on particular urgency in times of crisis and austerity. Better measurement will allow implementing countries to make more efficient use of resources by identifying the activities that most contribute to key objectives. Better evidence will strengthen justification and promotion efforts when there is increased competition for funds and political attention.

2. Delays and disruptions can present opportunities
   Delays to MSG processes, Validation or reporting may imply an opportunity to revisit and strengthen EITI implementation, including strategic planning, measurement and impact assessment. Down time may allow for developing capacities and frameworks. Travel restrictions may allow increased virtual activity by MSGs. In countries where the pandemic's disproportionate effect on women and marginal groups is recognized, this may present an opportunity to promote EITI's multistakeholder model. Delays from implementing countries can also create space for the IS to convene and support capacity development and learning activities across the initiative.

3. Lockdown lessons for learning in distributed organizations
   The global turn to virtual meetings has produced a variety of surprising challenges and opportunities. This includes a number of resources and lessons for how to facilitate organizational processes virtually, including learning and capacity

development processes. The internet is riddled with how-to guides and repositories for online learning. These should be reviewed for appropriate use in recommended activities. As a point of departure, this may be easier for developed countries with strong ICT infrastructures. The IS should identify and promote communication platforms and strategies that will help countries with less developed ICT infrastructure.

4. <u>In times of uncertainty, prioritize light touch activities and low-cost added value</u>
   In contexts where resources are constrained and processes uncertain, it may be useful to prioritize "light touch" activities that do not require specific budget allocations, institutional mandates, or official decisions. In particular, light touch activities that directly support other types of activities or opportunity areas may be advantages. These may include:

   <u>For the IS:</u>
   i. Initiate discussions on an institutional impact narrative

   ii. Begin conversation with countries about what a country-sensitive framework would look like and how it should be developed

   iii. Explore opportunities to institutionalize learning through quarterly learning meetings, webinars, or other activities

   iv. Begin preparatory work for developing a new Guidance Note on Requirements 7.4 and 1.5

   v. Pending the appointment of a full time senior learning officer, officially appoint a temporary focal point for institutional learning, responsible for the above points

   vi. Leverage partnerships (particularly with GIZ in regard to GIZ Guidelines)

   <u>For National Secretariats and MSGs</u>
   vii. Raise issues of learning and measurement in MSG processes and identify members of MSGs with measurement and evaluation expertise. Consider convening a working group.

   viii. Identify whether national priorities in EITI work plans align with priorities in pandemic response, and whether EITI results and reporting deserve a broader audience, particularly in regard to efficient collection of revenues and allocation of resources.

   ix. Identify and highlight commonalities between EITI implementation and other national priorities, such as SDGs or prominent anti-corruption initiatives. Initiate institutional dialogues on strategic planning, measurement and learning.

   x. Informally engage with relevant national stakeholders and external agencies to validate theories of how EITI contributes to national objectives, and raise the EITI profile.

1. BACKGROUND

Evidence and reporting are prominent in EITI practice, through country-level progress reporting in compliance with the EITI standard and commissioning of independent evaluations, through Validation processes to ensure country compliance, through the use of global KPIs by the IS, and through independent evaluations commissioned by the EITI Board and IS. Despite this, however, much evaluation remains closely linked to Validation processes, and as there is no fully developed results framework with which to monitor EITI implementation across country contexts, policy areas, and levels of governance within the EITI.

In November 2019 the EITI secretariat released a call for proposals to conduct an *Independent review of the Extractive Industries Transparency Initiative's (EITI) approach to evaluation and impact assessment.*[2] The call noted a broad recognition that EITI is not yet delivering on its potential in many countries, and as the initiative approaches two decades of implementation, there is increasing pressure to demonstrate results and impact.

To support the EITI Board and International Secretariat in developing its approach to evaluation and impact assessment, this call sought an independent review, including the following:

> 1. A short desk review of emerging best practice regarding results-based monitoring and evaluation and impact assessment in similar transparency and accountability and multi-stakeholder initiatives;
>
> 2. A review of the EITI's current approach to results-based monitoring and evaluation and impact assessment, both at the national and global level;
>
> 3. A report summarizing these findings, with an emphasis on setting out options for strengthening the EITI's approach for consideration by the EITI Board, to include recommendations for the International Secretariat and implementing countries

Results from the review are presented here. It is worth noting that this review has prioritized a user-centric approach to monitoring, evaluation and impact assessment, in which the value of measurement activities is grounded in anticipating how evidence will be add value to EITI's mission and activities. As such, it seeks to identify instances where measurement activities respond to specific needs for evidence, and to avoid instances where monitoring is conducted only for monitoring's sake, or in order to satisfy externally imposed conditions. The recommendations presented at the end of this review follow this logic, and suggest specific actions according to a cost benefit analysis of EITI's human, technical and financial resources.

Research was conducted for this review during January and February 2020, and included a desk review of relevant documents and literature, as well as focus groups and interviews conducted in person and over VOIP. In total, 32 interviews were conducted, including interviews with EITI International Secretariat staff (9), global experts and business representatives (11), and stakeholders from implementing countries (12). Focus groups

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[2] The Terms of Reference are attached to this report as an annex.

conducted in connection with the EITI Board Retreat in February 2020 collected perspectives from national secretariats in an additional nine implementing countries.

Review of international best practice considered leading methodological and scientific publications by M&E experts and academics, as well as interviews and documents associated with thought leaders and peer organizations working within the multi-stakeholder transparency space.

Review of EITI measurement practice considered a variety of Board papers and decisions, a review of IS reporting frameworks and country work plans, responses to country consultations held by the IS, and operational processes associated with Validation.

A review of the state of evidence on EITI impact reviewed multiple white papers, independent evaluations, meta-reviews, and over 80 academic books and journal articles.[3] Only documents, articles and reports produced from 2015 were considered in this review.

The background information collected for this review suggested three important ways in which EITI needs evidence of results in order to advance its mission, which can be described as use cases:

> In the **implementation** use case, evidence is used to improve how EITI is implemented on running basis, to understand "what works" based on early results, and to help MSGs and the IS adapt implementation to changing conditions and assumptions.

> In the **justification** use case, evidence is used to answer the "so what question" about why EITI is important and to demonstrate to national stakeholders and international stakeholders why the EITI matters and deserves support.

> The **promotion** use case, evidence is used to promote EITI as part of recruitment efforts, in order convince new countries to join the initiative and new companies to commit their support.

These three uses of evidence structure this review and are described in detail in section 2.1. They provide a lens for evaluating EITI approaches to measurement, as well as the relevance of international best practice.

This review proceeds as follows. Following this introduction, a review of best practice begins by clarifying key terms and concepts, including the three evidence use cases described above. This is followed by a brief description of practice by key international actors working with multi-stakeholder transparency, and recent methodological developments and resources available for measuring and documenting EITI results.

The following section presents a review of EITI's approach to measurement and evaluation, beginning with a review of the evidence base for EITI results, followed by a close description of practice in implementing countries and the IS. That section closes with a gap analysis of EITI measurement practices and evidence needs. Factors preventing measurement practice

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[3] An annotated bibliography of the most relevant literature is annexed to this report.

from meeting evidence needs are identified, as are the potential benefits of closing those gaps.

The final section proposes how EITI should proceed in responding to this challenge. This begins with identifying five strategic objectives to ensure an effective response, and five areas in which EITI may wish to invest in improved results measurement and evaluation. Specific activities are proposed for each of these opportunity areas, together with an analysis of expected costs, benefits and timelines. A prioritization scheme suggests five "quick win" activities and 5 mid-term key investments. The closing section discusses how these recommendations should be considered by the EITI Board.

2. REVIEW OF BEST PRACTICE

2.1. Clarification of terms and concepts

2.1.1. Use cases - why measure?

There is increasing recognition that systems for evaluation and impact assessment should be demand-driven. There many different uses for evidence of results, but these uses should be identified before evaluations and measurements are designed and executed, in order to avoid wasted resources and measurement exercises that stakeholders experience as cumbersome or unnecessary. This challenge is particularly salient in the EITI context, where stakeholders understand and measure impact in significantly different ways.

This review has identified three main demands for EITI evidence. These can be described as EITI evidence use cases, and described as follows:

Implementation
The people implementing EITI need evidence in order to understand "what works" and how their efforts can be adjusted to improve results. This includes national secretariats and MSGs, as well as the International Secretariat. The most useful type of evidence for improving implementation is usually data on EITI processes and their most immediate results, what the EITI Key Performance Indicators describe as Outcome Indicators and Secretariat Effectiveness Indicators. In practical terms, it can involve things like tracking when time and resources spent or activities undertaken lead to intermediate outcomes like increased public awareness or political support within key institutions. Specific indicators and types of evidence will vary with the specifics of implementation from case to case, but this use case is unique because the stakeholders demanding the evidence are generally the same stakeholders that will collect and generate the evidence.

Justification
Evidence plays a key role in justifying EITI to national counterparts and political gatekeepers in implementing countries, as well as in fundraising efforts by national and international secretariats. Unlike the implementation use case, evidence in this case is collected by EITI secretariats and presented to external actors in order to answer the "So What question" about whether EITI actually "makes a difference" in the countries where it is implemented. Also unlike implementation, this use case often demands evidence that has to do with long-term impacts rather than short-term processes. Donors may wish to see evidence on how EITI influences governance processes, while national counterparts may wish to see evidence on increased revenues or efficiencies.

Promotion
Like evidence for justification, evidence for promotion will generally be collected by EITI "insiders" in order to make arguments to EITI "outsiders", in this case, external stakeholders that are being recruited as either supporting companies or implementing countries. The evidence required for effective EITI promotion will vary significantly depending on who EITI is being promoted to, but will often focus on demonstrating the benefits of engagement to those stakeholders. Representatives of governments may thus wish to see evidence suggesting how EITI will strengthen anti-corruption efforts or foreign direct investment
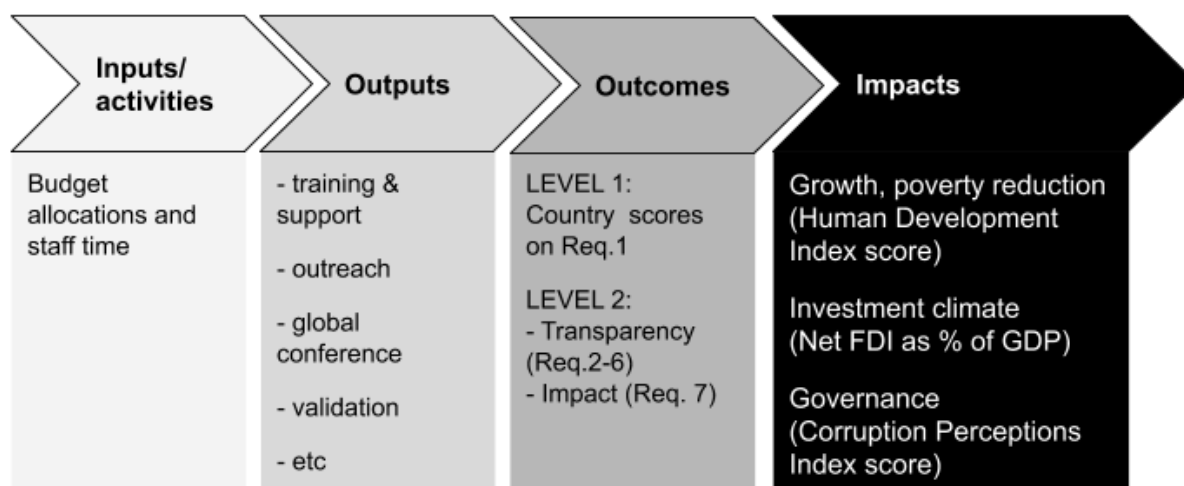
climates in their countries, while companies may wish to see evidence of improved business environments or reputational benefits that may follow from their support.

In some cases, these use cases may conflict. For example, evidence gathered to improve implementation may reveal that key activities are not contributing to their intended objectives, undermining evidence-based justification. In other cases, evidence used to promote EITI to national stakeholders may demonstrate tension between the interests and objectives of different stakeholders. A rigorous approach to measurement and impact assessment will identify and manage these tensions, making decisions and weighing trade-offs in keeping with a mutlistakeholder approach to governance.

2.1.2. Stages on a results chain

A results chain shows how results change and contribute to other results over time. This is described in the EITI Board Paper on updated EITI's Key Performance Indicators,[4] and presented in the Figure 1, with examples of KPIs that illustrate what types of evidence are associated with each link in the results chain.

Figure 1: EITI Results Chain Illustrated with Key Performance Indicators

The terms Inputs, Outputs, Outcomes and Impacts will be used in this sense throughout this report.

2.1.3. Attribution and contribution

Attribution refers to the claim that a given result, such as increased transparency, is caused by (attributable to) a specific intervention.

As one considers results more to the right of Figure 1, more time has passed since intervention inputs and activities, and attribution becomes more difficult. Asserting that a result is "caused by" an EITI intervention will be complicated by other things that also happened and will likely have influenced the result. These intervening variables may include changes in public opinion, national political events, or the activities of other international

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[4] See IC paper 25-2, p. 7, https://eiti.org/KPIs.

initiatives. Often, governance initiatives will avoid trying to measure attribution for outcomes and impacts, and instead focus on "*contributions,*"

Contribution analysis recognizes that efforts to improve transparency and governance often take place within a complex policy environment, where significant impacts cannot be attributed to any single cause.

2.2. Best practice in comparable initiatives

2.2.1. The OGP in focus

The Open Government Partnership (OGP) is arguably the most prominent global multi-stakeholder initiative operating in the governance and transparency space, and has allocated significant resources towards the rigorous measurement of impact and results. This includes a 4-person research team responsible for analysis and insights, a 5-person learning and innovation team, and a 6-person team responsible for coordinating evaluations of OGP implementation in 70+ member countries, through the initiative's Independent Reporting Mechanism. This has led to several notable activities and outputs, including:

- A regularly maintained and public facing research agenda for the OGP Support Unit[5]

- An academic research side event at biannual OGP Global Summits[6]

- A Global Report analyzing OGP IRM data together with international comparative indicators to argue for OGP contributions to socio-economic outcomes[7]

- Several technical papers and white papers assessing data from National Action Plans and IRM reports

- Topical papers, such as an analysis of OGP and EITI Synergies, and the Skeptic's Guide to Open Government[8]

- A multi-donor funded Independent Evaluation currently being conducted by Oxford Policy Management[9]

Despite these investments, and consistent expressions from OGP leadership regarding how initiative can strengthen civic space and public trust, OGP has not produced decisive evidence of its contributions to governance and socio-economic outcomes.

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[5] See https://www.opengovpartnership.org/documents/ogp-research-agenda-2020-2022-for-public-comment
[6] See, for example, https://easychair.org/cfp/OGPA19?fbclid=IwAR2yPW2HidVUosaUqmjj2s0c-ry9PUsA6nPJhW4HAPP7lJ7460-lXF6QYeE
[7] See https://www.opengovpartnership.org/campaigns/global-report/
[8] See https://www.opengovpartnership.org/documents/seeking-synergy-ogp-eiti/ and https://www.opengovpartnership.org/documents/the-skeptics-guide-to-open-government/.
[9] See https://www.opengovpartnership.org/stories/launching-an-evaluation-of-ogp/.

2.2.2.   The OCP in focus

The Open Contracting Partnership (OCP) is considered business-leader in regard to evidence and learning for multi-stakeholder transparency. Though its organizational structure is significantly different from that of EITI (there are no MSGs in countries), the initiative has adopted several practices and approaches relevant to the EITI challenge of capturing and comparing evidence across diverse country contexts. These include

- a public facing and open learning strategy;[10]

- an operational distinction between "progress" targets and "impact" targets for each country;

- a distinction between standardized general targets that apply to all countries, and specific indicators for those targets which are defined on a country-by-country basis;

- an operational distinction between impact targets, indicators, and stories, and an operational process for creating impact stories when indicators and targets are achieved; and

- an institutional culture for learning, facilitated by quarterly review meetings. These meetings are mandatory for all staff and include reporting on each country's progress towards targets, as well as explicit time dedicated to reflection and learning.

2.2.3.   Other initiatives and insights

In addition to engaging OGP and OCP, this review conducted interviews and desk research with the Construction Sector Transparency Initiative (CoST), the Global Initiative for Fiscal Transparency (GiFT), Publish What You Pay (PWYP), the Natural Resource Governance Initiative (NRGI), the Transparency and Accountability Initiative (TAI), Global Integrity (GI). Several representatives of funding institutions and international experts were also interviewed. A lack of space prevents discussion of how practices and perspectives across these actors, but the following insights are relevant:

- The evidence base for multi-stakeholder approaches to improving public governance and transparency is weak, and despite well-documented outcomes, credible evidence of long-term impact is still lacking.[11]

- There is significant confusion among actors in this space regarding how, when, and whether transparency and multi-stakeholder collaboration contribution to long-term, country-level impacts. Several interviewees expressed discomfort with the gap between leadership's public statements about MSI impacts and evidence for those impacts. There is, moreover, a wide-spread conviction that demand for evidence of

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[10] See
https://docs.google.com/document/d/1XS5Q3zB4Kb4j7E1RRLkIT997LisWNcb7lnnI4UlBlR8/edit.
[11] See the 2015 report from Brockmyer and Fox, whose attribute this lack of evidence to too short time-frames and unclear theories of change
(https://www.researchgate.net/profile/Jonathan_Fox7/publication/282443365_Assessing_the_Evidenc e_The_Effectiveness_and_Impact_of_Public_Governance-Oriented_Multi-Stakeholder_Initiatives/links/56104a9408ae6b29b49c3337.pdf).

long-term impacts is often based on overly-simplistic understandings of transparency interventions, the complicated contexts in which they operated, and what is actually possible to measure. There appears to be broad, if ambiguous, desire to re-frame this discourse with donors and other stakeholders.[12]

● There is widespread interest for learning strategies and adaptive approaches to monitoring and implementation, whereby strategies and work plans are adapted in response to changing conditions on the ground. A number of expert consultants and reports have emerged to support this type of work in recent years.

● Effective systems *can* be developed to manage diversity of socio-economic status, political systems, and cultural understandings of transparency among implementing countries. Doing so is demanding, however, and requires dedicated resources and mandates.

2.3. Measurement methods and tools

The last decade has seen significant developments in how transparency and governance interventions measure results. This has involved several efforts to improve data, including the use of Random Controlled Trials,[13] the integration of multi-stakeholder process data with independent third party data on country-level governance,[14] and the development of highly specific sectoral indicators and frameworks.[15] Other efforts have focused on improving methods and processes for measurement, including the increased sophistication of established methods, such as Most Significant Change, Beneficiary Assessments, and Collaborative Outcome Mapping, as well as the development of novel approaches, such as the Capability Assessments and the Political Access and Influence Framework developed by ITAD.[16]

Many pages could be spent describing the comparative advantages and limitations of these efforts. Academic researchers and professional evaluators are engaged in a rigorous debate

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[12] One notable effort to reframe the very idea of impact, is to note that this word is often used to suggest "transformative impact", but may just as well represent the impact of avoiding or mitigating negative outcomes. See the Democracy Fund's blogpost, *Six Models for Understanding Impact* (https://www.democracyfund.org/blog/entry/six-models-for-understanding-impact).

[13] As the first rigorous application of experimental methods to governance interventions, the collaboration between Results 4 Development and the Harvard Kennedy Center to measure the effect of community voice on access to public services has been watched closely. After several years and significant cost, the results suggest no clear evidence that transparency interventions had positive effects on health outcomes. See https://ash.harvard.edu/transparency-development.

[14] See, for example, the OGP Global Report (https://www.opengovpartnership.org/wp-content/uploads/2019/09/Global-Report_Volume-1.pdf), which makes an argument about how OGP countries are performing on various comparative governance indicators, compared to non-OGP countries. As noted elsewhere, this type of analysis can be compelling for particular evidence use cases, but from a scientific approach to causal analysis, there are a number of methodological reasons that countries participating in a multi-stakeholder process should not be compared with countries that are. See section 3.1 for a brief discussion, and in particularly, Lujala, P. (2018). An analysis of the Extractive Industry Transparency Initiative implementation process. World Development, 107, 358–381. https://doi.org/10.1016/j.worlddev.2018.02.030: p. 370.

[15] See, for example, the forthcoming whitepaper on Fiscal Governance Indicators from Open Society Foundations and Results 4 Development.

[16] Interview data, not publicly available.

about how and when different methods are appropriate, and how and when results can be generalized to other contexts. Space precludes a thorough discussion of these finer points.

The most important observation for this report is that there are a host of different approaches, tools and methods for measuring EITI results. Each has different advantages, costs, and limitations, and they are each differently suited to different contexts, objectives, and evidence demands. Table 3 compares several methods, providing superficial descriptions in order to illustrate key distinctions.

Technical advances and increased sophistication of measurement efforts have created a rich variety of tools and methods that might be useful for EITI stakeholders. There is, however, no single method that is best suited to the measurement needs of MSGs, the IS, or any particular type of stakeholder.

Selecting a measurement approach requires explicitly defining the evidence needs in any given context, the constraints that are imposed by the context, and the resources that are available. This can be a demanding process, but there are several resources available to help individuals and organizations find the right approach to results measurement.

- Better Evaluation's framework for evaluating M&E frameworks[17] and the Engine Room's Guide to adaptive monitoring of technology and accountability initiatives[18] provide overviews of available methods, and step-by-step guides on how to compare and assess them.

- TAI's guide to Learning from Evidence across diverse program contexts[19] provides a framework for considering when evidence and processes from one context can be applied to another.

- Tom Aston's cumulative approach to Contribution Rubrics, shows how to combine different methods such as outcome harvesting and process tracing to measure the influence of interventions in discrete contexts.[20]

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[17] See https://www.betterevaluation.org/en/rainbow_framework.
[18] See https://www.theengineroom.org/diy-for-me/.
[19] See https://www.transparency-initiative.org/wp-content/uploads/2019/05/tai-solutions-in-context-approach-brief.pdf.
[20] See https://www.linkedin.com/in/tom-aston-consulting/detail/recent-activity/documents/.

Table 3: Illustrative comparison of select approaches to results measurement

Approach	What it's good for	Results can be generalized	What it requires	When
Experimental methods (like RCTs)	Highly credible and scientifically rigorous evidence. Can demonstrate very specific types of effects across different contexts.	Yes, but only for very specific effects.	Several years, very significant financial and human resource costs.	Generally designed prior to interventions, and conducted throughout implementation. In rare circumstances, natural experiments or quasi-experimental designs such as discontinuity analyses can be applied to existing situations or found data.
Public perception surveys	Shows how communities feel about projects and results. Does not necessarily show results themselves.	No	Representative surveys are generally expensive, focus group approaches less so.	
Qualitative methods like Outcome Harvesting and Key Informant Interviews	Combines non-representative information on local perspectives, with contextually validated information on results.		Technical expertise, significant time and human resources.	Before implementation for baselines, during implementation for adaptive monitoring, after implementation for summative evaluation.
Narrative and desk analyses, such as Process Tracing, Contribution Analyses, or Episode Studies	Provides detailed and nuanced descriptions of how change occurred in individual contexts.			
Participatory methods, such as Beneficiary Assessments or Most Significant Change	Provides data on local perceptions, and often a deeper understanding of context that can improve interventions.		Some technical and human capacity.	
Social Impact Assessment	Predicting how projects will affect the quality of governance before they are implemented, can be used to develop theories and of change and measurement frameworks.		Technical capacity, staff time, stakeholder engagement.	During project design, before implementation
Independent Evaluation	Provides an overview of how an initiative operates. Often provides reputational value and credibility.	Sometimes	Very significant financial cost.	Mid-way through implementation or later.

2.4.   Conclusions and most relevant insights for EITI

Emerging practice for measurement and evaluation of multi-stakeholder transparency initiatives is broad and varied. It is not possible to it do justice within the space allocated here, as should be evident from the laundry-list approach presented above. It is, nevertheless, possible to highlight a few insights from this review that are most relevant to efforts to improve EITI practice.

Firstly, **measuring outcomes is likely more impactful than measuring impact.** It is clear that leading actors in this space find it more useful to measure outcomes and early results than to measure their contributions to long-term development impacts. Though some effort is still expended to generate evidence of long-term impacts, particularly for justifying activities to donors, this does not seem to add significant value to activities or strategies.

Secondly, **institutionalization of learning can have transformational benefits** though few organizations have taken as comprehensive steps as OCP to institutionalize learning strategies, those that have all report significant benefits from doing so, and OCP's practice suggests that those benefits can be transformational.

Thirdly, **EITI's diversity and ownership challenges are unique.** Though all global governance initiatives struggle with the challenge of differences between the countries in which they operate, this challenge is different by degree in the EITI context. This is due in part to how differences between stakeholder constituencies are hardwired into EITI implementation. It is also exacerbated by exaggerated effects that contextual factors like post-conflict settings and resource dependency have on the extractive sector. This should be kept in mind when considering how to apply lessons from emergent best practice to the EITI context.

Lastly, **there is an opportunity for global leadership**. This review revealed consistent lack of clarity among stakeholders regarding the question of how to measure the "impact" of transparency initiatives. This is due partly to ambiguity in technical terms and methods, and partly to frustration and misunderstandings surrounding lack of evidence. There is, nonetheless, broad agreement on the importance of understanding and measuring impact, which presents an opportunity, perhaps even a demand, for leadership to help shape a more productive discourse surrounding results and impact.

3. REVIEW OF THE EITI APPROACH

3.1.   The State of Evidence on EITI's results and impact

EITI is the most widely researched example of a multi-stakeholder initiative or global transparency program.[21] A query on google scholar returns over 9,000 academic articles, many of which directly address questions of impact and results. In addition, EITI has been subject to a number of reviews and assessments in the grey literature and through direct commissions for specific countries or donor portfolios.

As an evidence base, however, this research does not align directly with EITI's evidence needs. Both independent assessments and academic research can be difficult to access, due to paywalls and confidential material. Even when accessible, academic research tends to be written for an academic audience and is not always easy to translate into practical use by EITI stakeholders. This is particularly the case regarding the real-time evidence needs for implementation and the demand for specifically tailored evidence for promotion that were discussed in section 2.1.1.

Academic research is more easily applicable to justification, insofar as there have been several studies assessing EITI results, and this could feasibly be used to answer the "so what question" of whether EITI is making a difference in implementing countries.

An initial review of the literature is not promising, however. A recent meta-analysis of 45 studies attempting to identify and measure EITI impact uncovered mixed results. The study divided results according to three types of goals, and considered evidence for whether EITI had been successful in achieving each of them. It found:

- *strong evidence for success achieving institutional goals* such building the EITI brand, establishing global norms and increasing compliance with the EITI standard,
- *mixed evidence of success achieving operational goals*, such as establishing clear standards, increasing state capacity and public debate, and ensuring MSG participation, and emphasized the importance of contextual factors for achieving these goals,
- *limited and weak evidence for success achieving development goals*, such as improved revenues, investment, and governance.[22]

This has been confirmed by several other studies that emphasize EITI's success in building and institutionalizing transparency norms, without achieving long-term development or socio-economic impacts.[23] Lack of evidence for EITI's long-impacts may not be evidence of a

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[21] This was first noted in Brockmyer and Fox's 2015 evidence review, and continues to be the case (https://www.researchgate.net/profile/Jonathan_Fox7/publication/282443365_Assessing_the_Evidence_The_Effectiveness_and_Impact_of_Public_Governance-Oriented_Multi-Stakeholder_Initiatives/links/56104a9408ae6b29b49c3337.pdf).

[22] See the U4 research report at https://www.u4.no/publications/has-the-eiti-been-successful-reviewing-evaluations-of-the-extractive-industries-transparency-initiative.

[23] See Rathinam, F., Finetti, J., Siddiqui, Z., Snilstveit, B., Chirgwin, H., Appell, R., Dickens, E., & Gaarder, M. (2019). The effect of transparency and accountability interventions in the extractive sectors: An evidence gap map (No. 14; Evidence Gap Map Report). Turianskyi, Y., Corrigan, T., Chisiza, M., & Benkenstein, A. (2018). Multi-stakeholder Initiatives: What Have We Learned? An

failure to contribute to those impacts, however. The studies cited above all note that there is not enough research on EITI impacts, a lack that has been demonstrated in the study of extractives transparency more generally.[24] This too may be due to the fact that long-term impacts take time to manifest, even after a complete EITI implementation cycle, which has been shown to take 10 years on average.[25] Perhaps, as Brockmyer and Fox note, "it is simply too soon to expect meaningful evaluations of effectiveness or impact."[26]

Time may be an important factor, but recent analyses also suggest other reasons why academic research has yet to find evidence of EITI's long-term impact, including the fact that EITI countries are significantly different from non-EITI countries, in a way that impedes simple quantitative comparison and analysis, and problems with conceptual validity of dependent variables.[27]

As analytical methods become more sophisticated and more data becomes available over time, it is reasonable to hope that credible evidence will emerge. For the time being, however, the academic research base is rich, but does not provide clear evidence of EITI's long-term impact. There is no unambiguous evidence base from which to answer the "so what" question about EITI impacts in a general international sense.

It should be noted, however, that the academic research base is also populated with case studies that can be useful in justifying EITI at the country level. Notably, the coverage of EITI countries in academic literature is highly uneven, with a handful of countries that tend to be overrepresented. These often include countries perceived to have democratic deficits or countries in transition, with governance failures more commonly documented than success stories, perhaps because this type of example is more likely to attract researchers' attention. Nevertheless, there are some case studies that provide compelling examples of how EITI has helped to achieve legislative and procedural outcomes, which may be useful in country-level justification processes.[28] Stakeholders interviewed for this review indicated a significant need for help in justifying EITI to national stakeholders. The examples described in these case studies may be helpful in formulating such arguments, even when comparative quantitative data is absent. An overview of these articles is annexed to this review.

Overview and Literature Review (Issue April). https://saiia.org.za/research/learning-lessons-from-multi-stakeholder-initiatives/. Van Alstine, J. (2017). Critical reflections on 15 years of the Extractive Industries Transparency Initiative (EITI). The Extractive Industries and Society, 4, 766–770. https://doi.org/10.1016/j.exis.2017.10.010

[24] See Rathinam et al (2019).

[25] Lujala, P. (2018). An analysis of the Extractive Industry Transparency Initiative implementation process. World Development, 107, 358–381. https://doi.org/10.1016/j.worlddev.2018.02.030: p. 370.

[26] Brockmyer & Fox, 2015: p. 66.

[27] see Lujala, 2018: p. 369-370

[28] For example, Vijge et. al.'s 2019 article, *Transforming institutional quality in resource curse contexts: The Extractive Industries Transparency Initiative in Myanmar* and Arond et al.'s 2019 article, *NGOs as innovators in extractive industry governance. Insights from the EITI process in Colombia and Peru* both provide excellent close descriptions of how EITI processes interact, shape, and are shaped by, the political economies of their national context, suggesting different contextual pressures, and how those pressures might be managed by MSGs. Rosser et.al.'s 2019 analysis of political dynamics surrounding EITI in Indonesia demonstrates how such processes can set the stage for wider reforms, and how they might by limited. These articles are included in a list of case studies and analyses that might prove instructive to EITI programming, and is annexed to this report.

3.2.   Current practice in MSGs and National Secretariats

3.2.1.   Progress reporting and work plans

Requirement 7.4 of the 2019 Standard requires implementing countries to report progress on implementing work plans.[29] Prior to the 2019 Standard, this was mandated according to a standardized template for Annual Progress Reports (APRs), but this template was abandoned on the basis of a 2017 review, which found that APRs "fail to tell the story of the EITI or show impact."[30]

The current requirement allows countries to determine the form and content of their progress reports, but requires that the review of EITI impact should be open to the participation of "all stakeholders" and implies that this be done annually. Requirement 7.4 further mandates that progress reports address several mandatory components, including progress for each requirement, responses to recommendations from reconciliation and Validation, progress on objectives in MSG work plans, and efforts to strengthen EITI impact and expand EITI engagement.

Validations for the 2019 Standard have not yet begun, and it remains to be seen how countries will implement this requirement, or whether progress reporting will improve. The requirement to link progress reporting to work plans is of particular importance, however, since measuring and reporting impact requires that impact first be defined by MSGs. Consultations conducted by the IS and interviews conducted by this review show that there is tremendous variation in how MSGs define "impact." These understandings include technical definitions associated with logistical frameworks and results chains, as well as more organic descriptions of targets for policy change, public support, or revenue increases. Some MSGs have not significantly engaged with the question of results or impact at all.

This inconsistency is reflected in National Secretariat's work plans, which the foundation for both EITI implementation and progress reporting. The IS reviewed 41 work plans in January 2019 and found that the two most commonly stated objectives were the production of a EITI Report and communication activities, and that "relatively few countries have explicit objectives of improving accountability and enabling reforms for better oversight and data availability."

The IS has taken several steps to build implementing country capacities to develop work plans, including a Guidance Note released in 2018[31] and several regionally-focused webinars. MSGs still appear to have limited and uneven capacity to identify meaningful objectives, however. This is important, not only because it provides an operational foundation for implementation and reporting, but also because it facilitates fundamental agreement in an MSG about what EITI "is for" in that country. Achieving that agreement across stakeholder constituencies provides a foundation for healthy multi-stakeholder collaboration, focuses resources and activities, and is the most powerful safeguard against

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[29] See https://eiti.org/document/eiti-standard-2019#r7-4.
[30] See Board Paper 38-2-A Implementation Progress Report (IPR) June – October 2017. "Thematic focus: Review of the 2016 Annual Progress Reports".
[31] See https://eiti.org/guide/work-plan.

superficial implementation of the Standard. There is no Guidance Note for the progress reports as conceived in Requirement 7.4 of the 2019 Standard.

A refreshed guidance note and review of potential support to MSGs in defining national objectives may help to strengthen implementation, as well as measurement and reporting of results.

3.2.2.   Monitoring and Evaluating

Formal monitoring and evaluation frameworks are not common in EITI MSGs. Most countries lack technical, financial and human resources to develop and implement a monitoring and evaluation process. The exceptions (Germany, Ukraine, and Mauritania) are notable, not only for being so few, but for their shared drivers. The German EITI Secretariat is hosted within the German bilateral aid agency *(GIZ - Deutsche Gesellschaft für Internationale Zusammenarbeit)*. In 2017, on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GIZ produced a guideline document to help EITI implementing countries develop M&E frameworks.[32] The Guidelines was then adapted and implemented in Ukraine and Mauritania with funding from GIZ.[33]

The GIZ Guidelines merit attention. The document is unique in being both technically rigorous and accessible to non-experts. This is particularly noteworthy in regard to M&E documentation, which can often be made impenetrable by jargon and technicalities. The GIZ Guideline avoids this without compromising technical rigor. It is also firmly situated within the EITI context, anticipating MSG challenges and providing examples from EITI implementation. Interviews for this review also revealed that there are approximately 70 pages of training materials and discussion tools available for adapting this tool to implementing country contexts. This document is a significantly under recognized and under-utilized resource for building countries' monitoring and evaluation capacities.

3.2.3.   Validation processes

The Validation of countries' EITI implementation involves a significant amount of data collection and review, and produces a number of indicators that can be read as evidence of results, primarily at the level of outcomes in EITI's KPI framework. The usefulness of those indicators in comparative analysis will be discussed in the section on IS practice. Here it is worth noting that this review found little evidence that countries are using the data and evidence collected during validation processes toward specific evidence needs in country, either in regard to implementation uses or justification uses.

This may be because many stakeholders see Validation as EITI's primary sanction. As a "big stick", it often motivates national stakeholders towards a flurry of activity immediately before Validation processes commence. This often involves both implementation and outcome activities, such as changes to policy or asset freezing, as well as documentation activities,

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[32] See https://eiti.org/document/giz-monitoring-evaluation-me-of-eiti-implementation.
[33] At time of writing, the resulting frameworks are pending final MSG approval and implementation in both countries.

just before the arrival of Validation teams in country. This dynamic does not facilitate careful measurement of results.

The EITI Board Implementation Committee is currently reviewing the EITI Validation process. In doing so, the Committee may wish to consider how Validation might facilitate measurement that is more methodical. In particular, the Committee should look for ways to promote enhanced reporting that strengthens countries' measurement activities without increasing the demands of Validation.

3.2.4.   Independent evaluations

Several implementing countries have commissioned independent evaluations of EITI implementation,[34] and this is likely the most common form of structured monitoring and evaluation of EITI at the country level. This review found that, as is often the case in the international development sector, these assessments were motivated by external factors associated with legitimacy and funding cycles, and their design were not subject to the evidence needs of MSGs or other stakeholders. Unsurprisingly, there is little evidence that independent evaluations and assessments have been particularly useful in improving national implementation or justifying the EITI to national counterparts.

3.2.5.   Country variation and constraints

This review revealed an unsurprising variation in implementing country capacities to operationalize and measure results. As might be expected, countries with weaker capacities tend to perform less well across all of the above areas compared to countries with stronger capacities, and these distinctions can be traced across relationships with international funders, public administration histories, and state-capacities more generally.

Notably, the ways in which implementing countries understand EITI objectives and results also varies significantly, and not always along regional lines or differences in country capacities. Generally, however, technical capacities to define objectives and results are limited.

When asked, most country representatives did not describe specific national objectives or results, or link them to the long-term impacts that align with EITI principles. When considering long-term governance outcomes related to the institutionalization of transparency and government accountability, most implementing country representatives were dismissive, suggesting that "maybe we can measure that somewhere down the road." When asked about key objectives and results, several interviewees also changed their focus to a principled defense of EITI in their country, particularly in regard to maintaining civic space through an open multi-stakeholder forum. No country representatives interviewed for this review described a clear theory of how EITI activities would contribute to outcomes that would in turn contribute to long-term development and socio-economic impacts.

Questions about results did solicit some mention of outcomes, however. In both interviews and the IS email consultation, policy change and public engagement were the most common

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[34] Including Ukraine, Nigeria, Mauritania, Burkina Faso, Albania, Madagascar, and Caspian Basin Countries.

examples in this regard. It is important to note, however, that each of these varied significantly across countries. Policy dynamics were described at times in regard to national legislation, agency procedures, or policy processes, and in regard to different sectors for different countries. Similarly, references to public engagement varied from a focus on constituencies and organizations, to specific underrepresented demographics, or local communities in regions where extractives take place. In both instances, it is difficult to identify specific indicators that could be measured across countries.

This speaks directly to a concern about comparability and whether there should be a standardized evaluation framework across EITI countries. This imperative was implied regularly in conversations with international actors, and is closely linked to a perceived need for evidence with which to justify EITI to international funders and supporting partners. The need for comparative frameworks was *not* regularly articulated in interviews with national stakeholders, however, and when asked in the IS email consultation, only three of the 11 respondents said without qualifications that there should be a standardized measurement framework.

Perhaps the only issue on which almost all implementing countries seem to agree is that the demands of implementing EITI have risen considerably, and place a significant constraint on their ability to define, measure and document EITI results.

This is often described in terms of financial and human resource constraints. National Secretariats often lack necessary resources for EITI implementation, and national coordinators are often overstretched with impossible mandates that can be easily prioritized at the expense of EITI. Moreover, EITI Validation and implementation cycles do not always align with national political processes, and several respondents described scenarios where elections, budgeting processes, or other reporting processes kept countries from fulfilling their EITI requirements. There is a palpable concern among EITI's implementing country constituency that measurement frameworks promoted by the IS will fail to account for the nuances of national contexts, and will impose undue burdens on already overburdened national secretariats.

3.3. Current practice in the International Secretariat

3.3.1. Validation processes

Validation is the primary mechanism through which the IS collects, generates and evaluates data on EITI implementation results. The processes through which this occurs are complicated and messy, involving several steps for data sharing and review between national stakeholders, independent auditors and consultants, validation teams, and the IS. A general distinction can be made, however, between the production of indicators related to each requirement of the IS standard, and the background data and information which informs the categorization of those indicators.

The progress indicators associated with each of the Standard's 34 requirements are the most obvious outputs of Validation. These are categorized by the degree to which a country's progress on each requirement is deemed satisfactory, and are best understood as outcome indicators, according to the EITI KPIs and the results chain logic applied in this

review. These indicators reflect the results of the EITI implementation process *within* that process, but do not necessarily capture second order outcomes such as policy changes, or long-term development outcomes such as poverty reduction or improvements to investment climates.

It is also important to note that these indicators are not strictly comparative, as they do not systematically account for differences between country contexts. This limits their utility for international efforts to promote and justify the EITI. Nor do these indicators provide granular information results that would clearly be useful to adjusting and improving EITI Implementation. As such, the Requirement progress indicators produced by Validation have limited utility for the use cases described here, and are likely most useful for tracking the effectiveness of the IS in supporting compliance with the EITI Standard.

Validation also produces a host of other information that might be useful to the evidence use cases described above. This includes narrative information about process, detailed information discovered in reconciliation, and procedural information about extractive processes. The challenges faced by national stakeholders in making use of this information has been described above. Here it is worth mentioning that the IS has made significant investments to automating and improving these processes to enhance their utility and the quality of data that is produced. This includes the development of a summary data template, the automated creation of visualizations on the EITI website, country-specific XLS data queries to encourage data use within implementing countries, and checklists for countries to help map disclosures. These innovations create numerous opportunities for improved results measurement and learning in the validation process. Most of the processes are still being developed and rolled out, however. It is likely too early to say how this can contribute to improved results measurement or comparison beyond what is already enabled by the validation process.

3.3.2. KPIs

In 2018 the EITI Board adopted Key Performance Indicators (KPIs) with which to track the performance of the IS and EITI management.[35] The resulting KPIs are grouped into the following types of indicators:

- **Secretariat effectiveness indicators** (aligning with input and output indicators on the results chain) track input and activity such as budget allocations or the amount of staff time allocated for key activities, as well as outputs such as the number of board meetings held or circulars produced.

- **Outcome indicators** (aligning with outcome indicators on the results chain) tracks the number of countries achieving Satisfactory Progress on each of the Validation Requirement indicators described above. These indicators are divided into two "levels". Level 1 pertains to indicators for general performance in national processes (Requirements 1.1 - 1.5). Level 2 pertains transparency and impact of national processes (Requirements 2.1 - 7.4).

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[35] See https://eiti.org/board-decision/2018-30.

- **Impact indicators** (aligning with impact indicators on the results chain) track country scores on international comparative indices such as the Human Development Index and the WEF Competitiveness Index.

It is not clear that these indicators provide any useful evidence for improving implementation, given their lack of granularity at the country level (though this may change as the innovations to IS data flows described above mature and take shape). Nor is it clear, given the methodological challenges associated with attribution of long-term impacts described in section 2.1, that these indicators provide useful evidence for answering the EITI "so what" question in a comparative and international sense. The KPIs described here are an important advance in how the EITI considers results and change, but are best understood as a tool for assessing whether the EITI is meeting its goals and objectives. As such they are likely most useful for donor reporting and for specific instances of justification.

Lastly, the KPI Board Paper proposes a modified Theory of Change that is aligned with the results chain and categories of KPIs described above. While this Theory of Change is helpful for illustrating the sequential and dependent nature of different types of results, and provides some useful examples of outputs and relationships between types of results, it fails to significantly engage with the influence of implementing country contexts or the influence of external factors. These factors are indicated by a placeholder box labeled "External factors and assumptions", but are not explored. This is a notable omission, given the diversity of EITI implementing countries and perspectives between stakeholder constituencies. Further developing this theory of change to accommodate differences in implementing country contexts and objectives would be an important next step in developing an operational measurement framework for country results, and strengthening countries' measurement capacity.

3.3.3. Donor reporting

The EITI Secretariat reports on its activities as part of several grants and support agreements. This review attempted to examine the reporting requirements associated with these agreements, in order to determine their relevance to results measurement and evidence use. Five such agreements were identified as either active or pending approval, but it was not possible to review reporting requirements for all of them, or to determine if there were additional active agreements. Of the three agreements reviewed, all indicators were drawn from KPIs or computations of KPIs, suggesting that there is little duplication of effort.

A full mapping of report requirements should be pursued, however. This may be helpful to clarify lines of responsibility for grant reporting. A full mapping may also identify opportunities to reduce duplicated effort if similar data is being collected by separate teams, or to improve the utility of reporting if data being collected for reporting can be leveraged by the IS for other evidence needs.

3.3.4. Independent evaluations

The EITI Board has to-date commissioned four evaluations. Two of these were based on data prior to the 2013 Standard and are not discussed here (Achievements and Strategic Options: Evaluation of the Extractive Industries Transparency Initiative, Scanteam 2011, and

Evaluating the EITI's Impact on the Transparency of Natural Resource Revenues, Rainbow Insight 2009).[36]

In 2014, the EITI IS and the World Bank commissioned a report "to assess if support to EITI implementing countries is appropriately organized and resourced". The subsequent report, *Joint Review, EITI and EITI Multi-Donor Trust Fund Resourcing of the Extractive Industries Transparency Initiative*, was produced by Scanteam in 2015. The report relied primarily on interviews, and used contribution analysis to assess both technical and financial support, emphasizing the inherent diversity and increasing substantive and operational complexity of EITI country-support. This supported 14 specific recommendations for the IS (5), for "the World Bank as MDTF administrator" (4), for national MSGs and Secretariats (3), and for "EITI International Secretariat and World Bank as knowledge centres" (2). Notably, this included recommendations that national secretariats adopt three-year rolling work plans that contain "a monitoring and evaluation framework that will allow for performance tracking."

Scanteam was also commissioned to review a broad range of EITI governance issues, related to representation, accountability, and efficiency issues, and the subsequent report, *Review of International Governance and Oversight of the EITI*, was also produced in 2015. That report was also based on interview data, and offered 16 specific recommendations, addressing the need and accessibility of governance documents, conditions of Board membership, the need for specific governance bodies, the need for additional reviews, and reforms to funding models. In regard to the current review, it is notable that the report also emphasized inherent tensions in how different stakeholders understand EITI impact, and noted that this tension had been exacerbated by how the EITI and EITI Standard have developed over time.[37] One adjustment to governance mechanisms recommended by the report to address this challenge was the creation of an Implementation Forum to strengthen information flow between the Board and implementing countries.

Each of these two reviews address issues that are central to the issue of EITI results measurement. In particular, it is worth noting the centrality of tensions between how different stakeholders understand EITI's mission and objectives, how these tensions have been exacerbated by increasing operational complexity, and the challenges they pose to country support, governance mechanisms, and measurement issues alike. These tensions should be kept in mind when considering this review and its recommendations, and the potential of activities described at the end of this report to help clarify and align differing perspectives. In this sense, it is possible to trace the ways in which a strengthened approach to measurement might help to address some of the governance challenges raised in previous EITI evaluations.

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[36] As noted in section 1, this review generally does not consider documents, reports and reviews produced before 2015, due to significant changes in the EITI Standard.

[37] "EITI may not be able to 'escape a degree of fuzziness about what the fulfilment of its mission ought to look like', but for a relatively small cost it is able to maintain a discussion in [implementing] countries…"

"Some of the tensions and issues identified in this report can be attributed to the fact that EITI has evolved significantly over the past decade. The EITI of a decade ago was a loose initiative of a dozen countries considering how to implement a set of broad principles, which is very different from the EITI of almost 50 countries implementing the EITI Standard which is notable for its breadth and complexity." (p. 3)

3.4. Analysis

3.4.1. Utility of current practice and evidence

The measurement practices and resulting evidence currently being produced by MSGs and the IS do not clearly meet the needs for implementation, promotion and justification as described in section 2.1.1.

At the country-level, this is particularly true in regard to the evidence needed to justify EITI to national counterparts and to improve implementation. While ad hoc measurement efforts such as commissioned evaluations may meet specific one-off justification needs, they are not necessarily useful for justification or implementation in country.

More problematic is data produced by National Secretariats in relation to Validation processes, much of which might be useful for improving EITI implementation and results, were it differently managed. This challenge can be traced to a lack of capacities and frameworks. Building country capacities, developing country-specific measurement frameworks, and ongoing innovations in data management at the IS might all help to improve the quality and utility of information collected during Validation processes. It is important to note, however, the influence of incentive structures in these processes, and the way in which Validation tends to mobilize national stakeholders only episodically and with a "pass/fail" approach towards achieving compliance.

Nor does current practice clearly meet **evidence-needs at the IS**. The Validation processes, KPIs and donor reporting practices together form a coherent system to produce the evidence necessary to justify IS operations. This review has found relatively few signs of duplication, and these systems provide a clear picture of whether the IS is meeting its objectives. These systems do not, however, meet the evidence needs described in section 2.1.1 more generally.

Most obviously, these systems do not credibly answer EITI's "so what question" of whether the implementation is leading to long-term development impacts, as is often assumed to be need for **justification**. As discussed above, however, it is likely too early to seek evidence in response to that question, and an alternative strategy should be explored. Regarding **promotion**, the specific evidence needs required for recruiting new countries could likely be found in Validation data, but systems for doing so efficiently and on-demand are currently not in place. More efficiently recruiting supporting companies likely requires evidence on the reputational and operational benefits accrue to companies following their support, but this data is not collected. Regarding **implementation**, the IS does not explicitly and systematically measure the results of its support to implementing countries, and as a result, current measurement systems provide no granular data that can be used to improve that support.[38]

In summary, comparing the current measurement practice with country-level and IS evidence needs produces a fairly bleak picture. The only needs clearly and systematically

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[38] Though ad hoc activities to capture some results, for example, by asking participants about the utility of webinars and comparable activities, this is not measured systematically for different types of country support. .

met are for justification of IS activities. Evidence needs for justification of the EITI as a whole and of national implementation are not met. Nor are evidence needs for promoting EITI to new countries and supporting companies, or for improving implementation at the county-level or in the IS.

3.4.2. Diagnosing evidence gaps

The evidence gaps described above are caused not so much by a failure of systems as by a lack of deliberate design. As emphasized in the *Internal Briefing Note* quoted above,[39] and reiterated throughout the literature on monitoring and evaluation, strong measurement systems begin by clearly identifying project objectives and the mechanisms through which those objectives will be reached. The most important impediment to generating useful evidence of EITI results at both within the IS and country-level, is that ***measurement systems have not been designed on the basis of evidence needs***.

For the IS's promotional needs, this would require an analysis of what the most useful forms of evidence would be, the cost of producing that evidence, and the likely value that evidence would add to promotional efforts.

For the IS's justification needs, unambiguous quantitative evidence of long-term impacts across country contexts is unlikely in near term. It is not clear, however, that EITI's international justification needs can only be met by quantitative, comparative data. More effort should be invested in systematically collecting data and narratives for country-level outcomes such as policy change and public engagement, and understanding how these relate to long-term development impacts. A more nuanced articulation of these mechanisms and a more nuanced understanding of what can and cannot be measured would significantly strengthen EITI justification. A good place to begin this work is by revisiting the Theory of Change produced in the tandem with KPIs and considering how that Theory is manifest and challenged across different country contexts.

Capacity challenges

The imperative to design measurement systems on the basis of evidence needs begs several capacity questions.

Technical capacity is necessary for developing and implementing measurement systems. Importantly, this includes not only technical M&E expertise, but also the capacity to incorporate contextual expertise into the construction of measurement systems. Technical and contextual expertise tend to diverge in the EITI context, with contextual knowledge concentrated in MSGs, and EITI's limited technical expertise concentrated in the IS. If efforts to strengthening the technical capacity of the IS are accompanied by a mandate to support technical capacity development in countries, this may be the most cost-efficient investment in EITI results measurement.

Human resources and political mandates are also necessary for establishing meaningful measurement systems. The situation is most dire at the country level, where most National Secretariats there is already a significant human resource capacity gap, with insufficient budgets and over-stretched national coordinators. When EITI processes come into conflict

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[39] Section 3.4.

with other national political processes and demands, EITI is not always prioritized. This is a daunting context in which to allocate time and resources towards the development and implementation of meaningful measurement systems. It is a challenge that can only be managed by MSGs, and only to the extent that MSGs see an inherent value in improved measurement systems.

The situation within the IS is more promising, but **there is no dedicated evaluation and learning expertise in the IS**, and responsibility for monitoring and learning from implementation is primarily implicit and diffused throughout the organization. Without expertise and mandate, it will be difficult for the IS to leverage existing resources to meet EITI's evidence needs.

Financial resources are also necessary, not only for developing and approving measurement systems, but for their maintenance and ongoing use. This is particularly important if measurement systems prioritize third party services such as surveys or data management. It is difficult to identify specific responses to this challenge, as financial resources are consistently and universally in short supply. A strategic allocation of resources in the IS is nevertheless clearly important. The IS may also wish to invest resources in helping implementing countries to seek funds for improved measurement systems, either by liaising with donors, providing technical and strategic input to applications for funding, or by coordinating with donors to support key countries.

Technical and strategic challenges

In addition to capacity and resource constraints, the inherent **diversity of EITI countries and stakeholders** poses a significant challenge to meaningful results measurement. This is most obvious in terms of country diversity. As EITI membership has expanded, so too has the substantive focus of the EITI Standard, to include new requirements and novel policy areas, such as Beneficial Ownership and Systematic Disclosure. This has resulted in a diverse field of country contexts, objectives and activities. These differences require significant differences in measurement systems, which runs counter to the desire for a single framework that would allow for comparisons across countries.

There are several approaches to develop country-sensitive measurement systems that can account for national contexts and objectives, while still producing comparable data across countries. The nested approach employed by Open Contracting Partnership sets standardized targets for all countries, but defines specific indicators for those targets on a country-by-country basis.[40] Alternatively, the satellite approach used for governance assessments in Mongolia defines core indicators that apply to all countries, and satellite indicators that capture the specificity of Mongolia's national context.[41] This satellite approach might be particularly well suited to the EITI context, in which the development of satellite indicators could be organized and led by particular "types" of countries, such those that have recently experienced conflict, those with weak regional public administrations, those with significant degrees of resource dependence, or those with only recent activity in the extractives sector. If any steps are taken to develop a measurement framework for use

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[40] See section 2.2.2.

[41] See UNDP Document DDC 321.8'517 × - 891, pgs 9-12, at
https://www.idea.int/sites/default/files/pictures/DGI-MongoliaUNDP.pdf.

across countries, development of that framework should to the extent possible be led by countries, and explicitly focused on country-sensitive measurements and processes.

Diversity may also prove to be a hurdle at the country-level, as differences between constituency perspectives on monitoring and results are manifest in MSGs. Centering measurement activities around agreement on national priorities in EITI work plans is likely the best remedy to this challenge when it arises. This challenge will also be more manageable when MSGs see value and have ownership in improved measurement systems.

Lastly, and closely related to the issue of country perspectives, it is worth noting that even if technical, financial and human resources were available, IS-led efforts to improve countries' measurement practice would be met by significant skepticism. There is a general perception that the EITI Standard and Validation processes are steadily increasing their demands on National Secretariats without a corresponding increase in resources or support. There is a risk that asking countries to improve measurement systems would be perceived as overly demanding and unfair, especially if such a request did not acknowledge the differences between country contexts and national objectives.

3.4.3. Potential benefits

The challenges described above are significant, and will not be easily managed without significant investments of time, effort and resources. If successfully managed, however, significant benefits are likely to follow, potentially adding transformational and long-term value to the initiative. These benefits can be discussed in regard to the three use cases described in section 2.1.1.

The benefits of better measurement systems are most obvious in terms of **implementation**. Measurement systems designed on the basis of context-specific goals and processes have an instrumental value in so far as they enable real time monitoring and adaptation as progress towards objectives are achieved or obstructed. Implementing countries can see when mid-level outputs (like public support for EITI) do or do not lead to meaningful outcomes (like policy change), and can adjust strategies and activities accordingly. The IS can understand in near real time the comparative benefit of webinars, country missions or financial support to countries for reaching specific objectives. These types of insights are a first step towards better results for EITI implementation. They do not follow automatically from measurement, but they are enabled by thoughtful and carefully designed systems.

Carefully designing a context-sensitive measurement system also has inherent value for implementation to the extent that it facilitates clarity and consensus on objectives, challenges and the processes through which those objectives might be reached. For implementing countries, this involves forcing MSG conversations about national objectives and theories of change that will be incorporated into work plans. For the IS, it implies taking stock of evidence, roles and uses of evidence, reducing redundancies and opportunity costs, while also working with implementing countries to elaborate theories of change and build ownership in measurement for improved results.

Better measurement can also yield concrete benefits for EITI **justification**. Instrumentally, this is about the creation of useful data. Country-level measurement systems that are

designed around the political realities in countries will necessarily be better able to produce evidence that can be used to justify EITI to national counterparts. This may involve very different types of evidence, from administrative process data, to public perception data, to data from reconciliations; but when coupled with a country-specific theory of change, this can enable EITI champions to make stronger arguments to political gatekeepers and community representatives.

For the IS, this review suggests that improved measurement would imply a review of theories of change and would reframe the discourse about EITI's "so what question". Currently, the question of EITI's impact often presumes a need for comparative quantitative data on long-term development impacts. This review has concluded that improving measurement systems will help the IS to strategically reframe this discourse, and develop an impact narrative that justifies the initiative and its results to multiple audiences, while also strengthening internal processes for measurement and learning.

The benefits of improved measurement are the least clear for EITI's **promotion**. Recruitment of additional countries will certainly benefit from an improved impact narrative and better data on country level outcomes (when they are relevant to the country being recruited). It is not clear, however, that evidence is the most important factor driving countries to join EITI. There is a significant body of research suggesting that countries join EITI in order to secure reputational benefits and increased access to FDI and global markets. Better evidence may be important, but ineffective for this type of promotion.

The recruitment of supporting countries has similarly complicated drivers, and it is difficult to distinguish the influence of EITI's brand and signaling power from the expectation that supporting EITI will improve business climates for multinational corporations. An additional challenge in this regard is that there are currently no systems in place for collecting evidence on how supporting EITI benefits companies. Generating this evidence would likely be demanding and expensive, without a clear benefit.

4. FINDINGS AND OPTIONS

4.1. A strategic response

To achieve the benefits described above, EITI will need to invest in an explicit, systematic, and resourced strategic process. A one-off approach to country-guidance or commissioned evaluations will not suffice. This process will be more likely to achieve meaningful long-term benefits for EITI if it is guided by three, interlocking strategic objectives.

Use-focused: Results measurement should be designed to produce evidence for which there is a clear demand. In regard to the broad use cases presented above, demands for evidence to improve implementation and justify EITI to national and international stakeholders are the most important. In regard to specific activities, a use-focus requires that developing systems and capacities start by defining how measurement will contribute to strategic objectives, and that those systems have a clear value for the people tasked with implementing them.

Learning-focused: Capacities and systems should be developed not only to measure results, but also to learn from those results, in a way that improves both EITI implementation and measurement practice on an ongoing basis.

Country-focused: Measurement should emphasize the most important objectives, challenges and results (including early outcomes) at a country-level, and how they differ across country contexts. In addition, efforts to build country capacity and measure country-level results acknowledge the very real risk of reporting fatigue. There is a prominent perception among implementing countries that development of the EITI Standard has meant that they are continually being asked by the IS to do more with less. This has created a perception of undue demands, and poses a significant challenge to top-down approaches to improving EITI's measurement practice. When considered together with the challenge of country diversity, it suggests that a country-led co-creation process might be the best way to develop a common measurement framework that is sensitive to country contexts, while also building ownership and capacity for improved measurement.

These strategic objectives can be pursued through a variety means, and across a variety of implementing contexts. In particular, EITI should consider tactical activities and investments **five key areas of opportunity.** Each of these are discussed in detail in the following section, proposing specific activities together with expected costs for the IS, timelines and benefits.

1. Developing country capacity
2. Building an organizational culture of learning
3. Strengthening internal information systems in the IS
4. Taking international leadership
5. Commissioning an international evaluation

4.1.1. Opportunity Area 1: Develop country capacity

Country capacity lies at the core of any effort to strengthen EITI practice, and results measurement is no exception. There are several steps that could be taken to build that capacity and overcome resource and diversity challenges, several of which require minimal investments.

Firstly, the IS should **support countries to improve their work planning and progress reporting**. There is a clear need for countries to better define national objectives, theories of change and obstacles to impact in their work plans, to link those work plans to progress reporting, and to design reporting to meet their most important evidence needs. The IS could facilitate such improvements by developing a new Guidance Note on Requirements 7.4 and 1.5 (currently, Requirement 7.4 is addressed by Guidance Note 5, which addresses the now discontinued APRs[42]). Additionally, the IS should explore ways to identify, highlight, and share best practice in this regard, as will be discussed below.

Secondly, the Board should consider **adopting and promoting the GIZ guidelines for developing national M&E Frameworks** (GIZ Guidelines). The GIZ Guidelines provide a step by step guide to developing national M&E frameworks for EITI implementation. They are a uniquely useful resource insofar as this guidance is technically sound, and specifically tailored to EITI activities, but requires no technical expertise to implement, and anticipates the ways in which national implementation contexts will vary. The Guidelines have already been piloted by several implementing countries and are publically available for uptake by MSGs. Interviews for this review suggest that they are also complemented by 70+ pages of training materials and discussion guides to aid national workshops.

While the GIZ Guidelines are "out-of-the-box" ready for adaptation to national contexts, this should not be interpreted as being cost free. Implementing the Guidelines to develop national M&E Frameworks will require the dedication of time and financial resources in order to effectively convene stakeholders and secure necessary technical expertise, likely in the form of an international consultant. This may require dedicated funds, and the EITI Secretariat should help interested countries identify the best way to resource or fundraise for these activities, in collaboration with GIZ, as appropriate.

Supporting countries to adapt this resource would likely require (a) engaging GIZ in a discussion to ensure proper credit, support, and use, (b) review of previous adaptation experiences (particularly in Ukraine and Mauritania), (c) a demand-driven support model in which adaptation support is provided to countries that seek support and where adaptation would add significant value,[43] and (d) an active rebranding and promotional strategy to build interest and uptake among implementing countries.

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[42] See https://eiti.org/guide/outcomes-impact.

[43] Resource constraints for this kind of country support will always involve trade-offs between the number of countries supported and the depth of that support. One approach would be to identify a small number of countries where adoption and implementation of the framework is likely to have concrete benefits, and where MSGs are likely willing to share those experiences and provide support to other countries in a "second wave". At the other end of the spectrum, the EITI may wish to provide wide and light touch support, for example through webinars. This is unlikely to yield significant benefits. A middle road approach might involve regional workshops and follow-up in-depth support with a small number of countries.

It is important to note that the GIZ Guidelines are designed to help National Secretariats and MSGs develop M&E Frameworks that are specifically tailored to their national implementation contexts, including the national objectives that MSGs identify in their work plans. As such, no two M&E Frameworks produced through the Guidelines will be the same. The GIZ Guidelines should not be confused with the development of a country-sensitive international measurement framework that the EITI IS can use to capture EITI results and impact in aggregate, while accommodating differences between countries, and in order to better understand of those differences.

Thirdly, the IS should take active steps to **identify, share and reward measurement and learning** by MSGs. Identification of good practice could be grounded in Validation processes and in coordination with the recent review of work plans. Sharing of best practice could take place through communications activities, features in webinars, or competitions similar to the Impact Competition in the: 2019 Global Conference.[44] Sharing best practice can have an inspirational effect, but more importantly, can help countries to identify and recognize the value of an improved measurement system, strengthening buy-in and ownership for additional capacity development.

Summary of activities to develop country capacity	
Support countries to improve their work planning and progress reporting	**Costs:** Modest: staff time **Timeframe:** Immediate, potential completion within a calendar year. **Potential benefit:** Improved country practice, interest and ownership for measurement
Adopt and support implementation of the GIZ M&E Guidelines	**Costs:** None for adoption, modest costs for promotion, potentially significant costs for supporting individual country adaptation processes **Timeframe:** Immediate preparation, country support potentially beginning within 2020 **Potential benefit:** Improved country practice, diffusion of best practice and foundations of a community of leaders among implementing countries
Identify, share and reward measurement and learning	**Costs:** Minimal staff time **Timeframe:** Immediate and ongoing **Potential benefit:** Diffusion of best practice, foundations of a community of leaders among implementing countries

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[44] See https://eiti.org/impact-competition-2019.

4.1.2. Opportunity Area 2: Strengthen internal information systems in the IS

The IS plays a critical role in managing evidence and data across the EITI landscape, and there is significant room for building on the innovative work done by the IS data team to improve these systems.

Firstly, the IS **should not measure EITI's long-term development impacts** such as poverty reduction. Though this is not something the IS has been engaged with to date, it is prominent in how stakeholders think about measuring results and impacts, and is likely to be the focus of some conversation surrounding EITI's approach to measurement. It is important that such conversations acknowledge that unambiguous evidence of long-term impacts in is unlikely in the near term, due both to time lag and to methodological challenges, as discussed in section 2.1. There is, moreover, a community of academic researchers and experts actively working on these studies, continually developing cutting edge methodologies with which to test for such impacts. It is reasonable to assume that when it is possible to measure such impacts, those best positioned to do so will do so, independent of EITI engagement. As such, EITI resources and efforts are better applied to measuring and documenting outcomes, fitting evidence of those outcomes into more sophisticated impact narratives about how change happens, and using that narrative to take control of the results discourse with donors and partners.[45]

Secondly, the IS should **strengthen systems to capture evidence of success and failure** in country implementation. Most importantly, systems should be devised to trigger information capture outside of Validation processes. This likely involves creating incentives and triggers for countries to report developments to country teams on a running basis. The criteria for such triggers could be defined in work plans and rewarded with public recognition. The *Open Contracting Partnership's* use quarterly learning meetings provides one model for considering how this could be institutionalized.

It is also worth noting that several implementing countries interviewed for this review expressed frustration that the most important successes of EITI implementation were not captured or recognized by Validation, because they did not align with the EITI Standard Requirements. Devising systems to recognize and reward such impacts would help to counter this frustration, would build ownership for improving country measurement systems, and would strengthen EITI's narratives and theories of impact. The OGP practice of assigning "stars" to impactful government commitments may provide a model for the IS to consider how Validation processes could identify and publicly recognize such successes.

Thirdly, **evidence should be centralized** in the IS. There are currently multiple interacting informational and data flows between countries and the IS. Most of these can be traced to the push of Validation processes, but not all relevant evidence is captured in validation, and information on country-specific or thematic successes are difficult to access. The "go-to" source for such information seems to be countries' Validation reports, or individuals within

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[45] The monitoring of "big picture" KPIs requires minimal effort on an annual basis, and so need not be discontinued as long as it continues to usefully inform donor reporting and strategy, but no other measures of long-term development impacts should be pursued.

the IS who are expected to hold tacit knowledge. This system is insufficient for the EITI's evidence needs and on multiple occasions during research for this review, questions about specific countries or information types were difficult to answer or simply not answered, due to a lack of systematic information. The databases for Validation information maintained by the IS data team provide a good foundation for a centralized results archive, and the IS data team is well positioned to expand that database to include other kinds of useful evidence. This should include types of evidence discussed above, including evidence of successes and failures reported on a running basis and before Validation processes begin. It should also include information on successes that do not align with the EITI standard, and information drawn from progress reports.

Lastly, the IS should **map reporting requirements** associated with IS grant agreements, in an effort to minimize duplication in data collection, streamline measurement efforts, and ensure that monitoring indicators are as useful to different evidence needs as possible.

Summary of activities to strengthen information systems in the IS	
Do not measure EITI's long-term development impacts	**Costs:** None **Timeframe:** Immediate decision **Potential benefit:** Opportunity cost, more efficient use of IS resources
Strengthen systems to capture evidence of success and failure	**Costs:** Moderate, staff time and coordination **Timeframe:** Anytime and ongoing **Potential benefit:** Improved understanding of country implementation, better evidence for justification.
Centralized evidence cache	**Costs:** Unclear but likely modest **Timeframe:** After other activities **Potential benefit:** Improved access to evidence for justification and promotion, enhanced learning and understanding of change processes
Map reporting requirements	**Costs:** Minimal staff time and coordination **Timeframe:** Any time **Potential benefit:** Avoid duplication, streamline reporting

4.1.3.   Opportunity Area 3: Build an organizational culture of learning

Benefits following from the above actions will be enhanced to the degree that they are fostered by an institutional culture of learning that prioritizes evidence-based decision-

making and objective-driven measurement. This is a culture that can be most easily fostered within the IS, and promoted across EITI countries and stakeholder constituencies. Several steps can be taken towards this end.
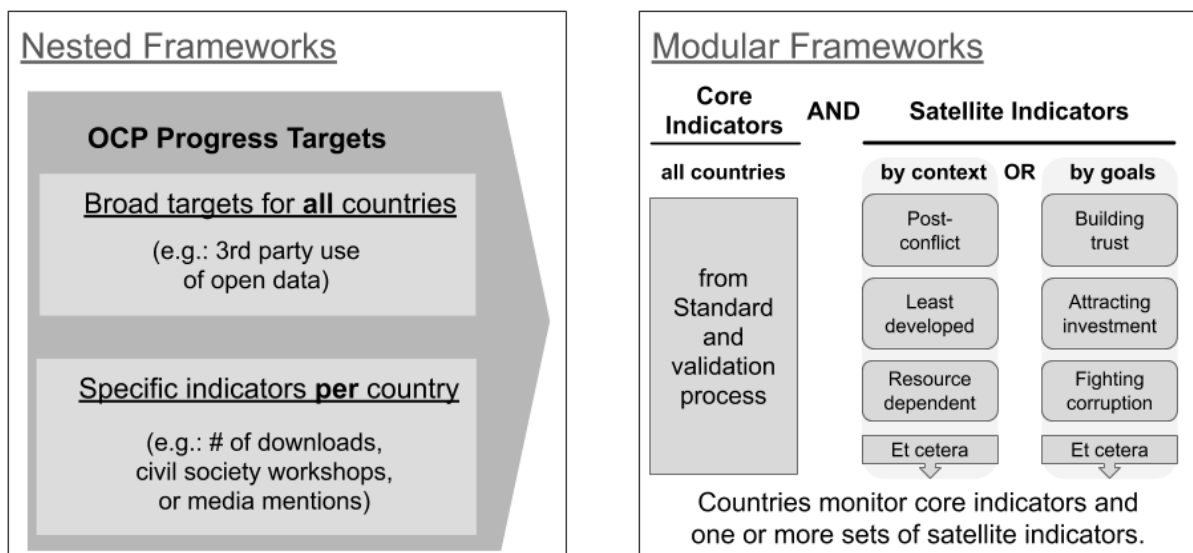
Firstly, EITI should take steps to **develop a country-sensitive measurement framework** that can be applied by all implementing countries, but which accommodates and leverages what is unique about each countries' context for more impactful measurement.

Developing an international system for capturing the aggregate results and impact EITI implementation across countries can be valuable for multiple evidence use case in the IS. Aggregate results information can help to fine tune IS activities, promote the initiative globally, and to justify IS activities to international partners.

The process of developing such a framework is equally important, however. A country-led approach to building a country-sensitive aggregate measurement framework will help stakeholders to understand commonalities and differences between national contexts, while embedding impact narratives and theories of change across the initiative. This will be best pursued by the IS taking an active role to engage implementing countries in the design of such a framework. It is critical that a country-sensitive framework be designed with countries, and not only for countries. This will minimize the risk that a resulting framework will be seen as burdensome or exploitative by implementing countries, while maximizing the utility of that framework for national evidence demands, and the potential for aligning that framework with national processes.

Two broad approaches for country sensitive frameworks are presented with illustrative indicators in Figure 2. A working group should be established to determine which approach is most appropriate and how it should be developed. Most importantly, the working group should design a country-led process for developing the framework, in which implementing countries ensure that the resulting framework is both useful and valued. A representative group of countries should directly inform the definition of satellite indicators (or the process for defining country-level indicators in the case of a nested framework).

Figure 2: Two approaches to country-sensitive frameworks, with illustrative indicators

It is important not to confuse this framework, which will aggregate EITI results across countries, with the national M&E frameworks which implementing countries may develop with the help of the GIZ guidelines. The differences between these two approaches are described in section 4.2.4.

Secondly, EITI should **develop a common impact narrative** describing how EITI contributes to positive change in implementing countries. Noting that credible evidence of long-term development impacts are not likely to soon be available, the IS should invest in better understanding how EITI outcomes contribute to meaningful change in implementing countries. The IS should further determine how this narrative can be informed by different types of evidence, including the results evidence discussed above, as well as anecdotes and stories about country-level outcomes. These insights should inform a coherent institutional narrative about EITI impact that is evidence-based, credible, and leveraged by all EITI stakeholders for justification and promotion.

It is important to note that the most useful and meaningful impact narrative for EITI will be one that is institutionalized and updated on a running basis. Steps can be taken immediately to construct a more nuanced narrative that draws on what is known about EITI results, challenges of measurement, and the importance of country level outcomes. This will add real value to strengthening awareness and coherence across the initiative, and will help EITI manage the larger results discourse. As other activities are undertaken to improve EITI's measurement practice, this narrative will need to be deliberately updated, refined, and mainstreamed throughout the organization. This should be done on at least an annual basis, in order to strengthen learning and measurement capacity across the initiative.

Thirdly, steps should be taken to **institutionalize learning and the use of evidence** in the IS. In research for this review, the Open Contracting Partnership emerged as a clear leader in regard to organizational learning practices, and is widely regarded as such. Interviews with the OCP suggest that one of the most effective mechanisms for institutionalizing evidence-based decision-making and learning in the organization has been the creation of explicit spaces and processes for learning.

The OCP quarterly learning meeting is particularly noteworthy, in which all staff (approximately 50, many of whom work remotely) participate by reporting in plenary on country and team progress towards key targets. This meeting proceeds according to an agenda that is loosely geographic, and there is dedicated time allocated to reflection, discussion, and considering implications for practice. The OCP reports that this meeting has become deeply ingrained "into the DNA of the organization" and is now viewed as an essential complement to weekly all-staff meetings. It takes less than three hours to complete, and generally viewed by staff as helpful to their work and something to look forward to. Creating such a meeting in the IS would be a "low hanging fruit" that has little cost, but might go a long way towards sharing and learning across teams. Other steps might involve building "lessons" sections into Validation Reports or donor reporting from the IS.

Institutionalization of learning should also be considered in regard to staff capacities, and should be explicitly included in hiring criteria and decisions for all IS.

Lastly, EITI should **resource a senior learning officer** in the IS with responsibility for coordinating efforts to strengthen IS information systems. Doing so provides a clear signal to strengthen institutionalization efforts, while also ensuring capacity to manage these activities. In addition to coordinating learning systems and practice within the IS, a senior learning officer should be given responsibility to facilitate learning between the IS, implementing countries, and external researchers. This would involve identifying opportunities to build country capacity, and coordinating those efforts, including potential facilitating funding and additional support.

This role might also involve critically engaging with the academic community producing research on EITI and EITI impacts. The Learning Officer should have capacity and mandate to critically evaluate the methods and analyses of research on EITI, sharing useful results and insights with EITI stakeholders when relevant, and taking a public stance to note when research findings on the EITI are misguided or unfounded.

Summary of activities to strengthen internal information systems in the IS	
Develop a country-sensitive measurement framework	**Costs:** Unclear, but significant in regard to staff time, likely also implying board time, operational costs, and potentially event budgets for co-creation **Timeframe:** Begin immediately, long term activity **Potential benefit:** Strengthened measurement frameworks and country ownership. Material for enhanced institutional impact narrative. Credible framework for other measurement activities, including donor reporting and independent evaluations.
Develop a common impact narrative	**Costs**: Minimal, staff time **Timeframe:** Begin immediately, long term maintenance and institutionalization **Potential benefit:** Stronger evidence for justification, coordinated communications.
Institutionalize learning and the use of evidence	**Costs:** Minimal staff time **Timeframe:** Immediate and ongoing **Potential benefit:** Strengthening all other learning investments
Resource a senior learning officer	**Costs:** Allocation of EITI IS resources. **Timeframe:** Near term and ongoing. **Potential benefit:** Enabling and strengthening factor for all other activities

4.1.4. Opportunity Area 4: Take international leadership in regard to results

Firstly, EITI may wish not only engage with, but also to **shape the international research agenda** for transparency in the extractive industries. This may build on the work of the Learning Officer described above, to engage with academics and students who want to

research the EITI and its results. Making an effort to package and explain EITI data can go a long way towards making open data more accessible and useful to the academic community, and partnering with individual researchers and research institutions may also help EITI to influence the kinds of research questions that are pursued, increasing the usefulness of research findings to EITI evidence needs.

In particular, EITI should consider mechanisms to engage with younger scholars that will shape the international research agenda five to ten years in the future. For example, offering a handful of small scholarships for masters and PhD students might be an effective mechanism to simultaneously raise EITI brand awareness, ensure attention to policy-relevant research designs, and produce findings that are clearly useful to the EITI.

Additionally, EITI may wish to consider adding an academic side event to the EITI Global Conference. Such an event could be modelled on the OGP practice of creating an OGP Academic Track in parallel with Global Summits.[46] This academic track is implemented with no financial costs to the OGP and has helped to foster a vigorous research community in active dialogue with the OGP secretariat, including special issues in academic journals explicitly focusing on policy issues that are relevant to OGP strategic development.[47]

Secondly, EITI should consider whether to **take a leadership role in the global discourse on results** in the multi-stakeholder transparency field. The global discourse about how transparency interventions contribute to long-term socio-economic and governance impacts is fraught with confusion and ambiguity. Concepts and terms are mixed up and used without precision. Overly optimistic expectations outshine pragmatic planning. Quantitative data conveys a sense of credibility and rigor that is not always warranted. When seeking for evidence that transparency initiatives have influenced policy or behavior, a lack of evidence is sometimes construed as evidence of a lack of influence.

This context has produced confused and mismatched expectations between donors, practitioners, policy makers and researchers. That confusion is broadly recognized and there is a need to reframe the conversation towards more nuanced and informed understandings of evidence, results and impact. EITI could assume a leadership role in this regard by convening a conversation between relevant and engaged peers and counterparts, to advance a common agenda for improving evidence in the field. This might assume the form of a structured community of practice, or a more informal conversation. A working group should be established to determine demand and feasibility for such an initiative.

Summary of activities to take international leadership	
Shape the international	**Costs:** Minimal coordination efforts, plus small scholarship awards (less than $15k annually)

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[46] See, for example, https://easychair.org/cfp/OGPA19?fbclid=IwAR2yPW2HidVUosaUqmjj2s0c-ry9PUsA6nPJhW4HAPP7lJ7460-lXF6QYeE.

[47] See https://jedem.org/index.php/jedem/issue/view/49.

research agenda	**Timeframe:** After investments in IS learning capacity, ongoing activities and activities tied to Global Conference **Potential benefit:** Increased influence in international research agenda, increased usefulness of external research
Take a leadership role in the global discourse on results	**Costs:** Moderate staff time **Timeframe:** Medium to long-term **Potential benefit:** Improved dialogue and manageable expectations with counterparts and peers

4.1.5.   Opportunity Area 5: Commission an independent evaluation

An independent evaluation is often the first instinct when an organization feels pressure to demonstrate results and impact, but that instinct is not always informed or well founded. For this reason, it is presented last in this list of opportunities, to be considered on the basis of other, less demanding and potentially more meaningful investments.

The most obvious and immediate benefit of commissioning an independent evaluation is reputational and in the service of justification. This utility can come at a significant price tag, however, as holistic independent impact evaluations for large international multi-stakeholder initiatives can easily cost between $500,000 and $1,000,000 USD. Other types of independent evaluations might also be pursued, in order to target specific aspects of EITI activities. Previous evaluations have, for example, focused on aspects of international governance (see section 3.34 and Annex B).

Whatever type of independent evaluation EITI may wish to pursue, there are at least two reasons this should be postponed until after undertaking other activities recommended here. Firstly, developing country and IS learning and measurement capacity will directly inform decisions about what type of evaluation is preferable. At the simplest level, the activities recommended above should help EITI stakeholders to better distinguish between evidence demands, outcomes and outputs, and differences across country contexts, all of which will support better decisions regarding the scope and focus of independent evaluations.

Secondly, the activities recommended above may provide methodological foundations for a more efficient independent evaluation. For example, a country-sensitive measurement framework, organizational impact narrative, and acknowledgement of successes and outcomes that are not captured by the Standard, will provide direction and metrics to be evaluated. Engaging these activities before commissioning an independent evaluation will, moreover, ensure that relevant outputs are produced to some degree by implementing countries, and not by external consultants through "top-down" dynamics.

Lastly, the results of independent evaluation will likely be more useful to stakeholders with stronger measurement capacities and when embedded in an organizational learning culture, because the design of an evaluation can target specific evidence demands. The maturity of EITI strategies and measurement frameworks also has a consequence, especially if an

independent evaluation focuses on impact. An impact evaluation at this early stage in EITI's measurement journey is almost certain to conclude that it is "too soon to tell."

Summary of activities to commission an international evaluation	
Commission an independent evaluation	**Costs:** unclear, up to near 1 m USD **Timeframe:** Long term, ideally after other key strategic investments. **Potential benefit:** Primarily reputational, justification.

4.2.   Prioritizing activities

This review has produced a number of opportunity areas for strengthening EITI's approach to results measurement and evaluation, as well as a number of specific activities with varying costs and potential benefits. To assist the board in prioritizing activities and next steps, this section closes by organizing recommended activities according to their costs and benefits.

> **Quick wins** are activities that can be undertaken immediately, without significant allocation of resources, and with important benefits likely to accrue in the near or medium term. They are "low hanging fruits" that should be pursued without reservation.

> **Key medium-term investments** require more planning or resources, but could adopted by the Board and potentially initiated within the 2020 calendar year. They are critical for improving EITI measurement practice and are mutually reinforcing. These activities are strongly recommended and should be planned for.

> **Other strategic options** include activities that may help to improve EITI practice but are not necessary to do so. They may also have significant benefits in regard to EITI activities, aside from results measurement.

Activities for each of these categories are presented briefly below. Detailed descriptions and rationales are presented above in the discussion of opportunity areas.

4.2.1.   Quick wins

1. **Adopt and support countries to implement the GIZ M&E Guidelines**, and specifically
   - engage GIZ in a discussion to ensure proper credit, support, and use,
   - review of adaptation experiences in Ukraine and Mauritania,
   - adopt a demand-driven support model in which adaptation support is provided to countries that seek support and where adaptation would add significant value, and

- ○ adopt a rebranding and promotional strategy to build interest and uptake among implementing countries.
(see page 34 for details)

2. **Produce a new Guidance Note on Requirements 7.4 and 1.5**, to support better work planning and progress reporting
(see page 34for details)

3. **Don't measure long-term development "impacts",** focus on measuring country-level outcomes within results chains and understanding their role within country-specific theories of change.
(see page 36 for details)

4. **Establish a centralized archive for evidence of results**, including results that are not captured by the Standard, and a mandate within the IS for maintaining it.
(see page 36 for details)

5. **Develop an organizational impact narrative** to advance good practice, build understanding, and manage expectations. Specifically,
    - ○ develop an initiative narrative in conversation with implementing countries and international experts, on the basis of existing information,
    - ○ mainstream and promote this narrative across the organization, and
    - ○ establish systems to update and maintain the narrative over time, at least annually.
(see page 39 for details)

4.2.2. Key long-term investments

1. **Develop a country-sensitive measurement framework.** Specifically,
    - ○ establish a working group to determine
    - ○ a technical approach to frameworks (whether they employ a satellite or nested structure,
    - ○ a country led-process that directly informs how indicators are defined and compared, and
    - ○ a subsequent process for piloting and validating the framework with representative groups of countries.
(see page 39 for details)

2. **Resource a senior learning officer** in the IS with a mandate
    - ○ To coordinate and implement learning and measurement activities in the IS,
    - ○ to identify and implement appropriate country-support for better results measurement, and
    - ○ to engage the international research community.
(see page 41for details)

3. **Identify, share and reward measurement and learning by MSGs**, through communications activities, prize and competition schemes, or other recognition

systems comparable to the OGP practice of "starred commitments"
(see page 35 for details)

4. **Strengthen systems to capture evidence of success and failure**, beyond Validation processes and including successes that are viewed as important by implementing countries, but which may not be reflected in the EITI Standard (see page 36 for details)

5. **Institutionalize learning** through dedicated processes, such as
   ○ a quarterly all staff learning meeting that emphasizes country level results,
   ○ Institutionalized spaces for reflection and learning, and
   ○ Inclusion of learning and evidence criteria in staff development and recruitment processes
   (see page 42 for details)

4.2.3.   Other strategic options

1. Engage the international research community to critically evaluate research findings, to shape research agendas, and to identify and disseminate relevant findings

2. Take international leadership by convening and/or contributing to an international community of practice engaged with the question of how to measure and document the long-term impact of transparency and governance interventions.

3. Map reporting requirements and streamline reporting activities in the IS.

4. Conduct an independent evaluation that builds on an impact narrative, outcome-centered theory of change, and country-sensitive measurement framework.

4.2.4.   Distinguishing national and international measurement frameworks

This review recommends that the EITI IS develop a country-sensitive measurement framework that aggregates results across countries, *and* that implementing countries use the GIZ Guidelines to develop national M&E Frameworks for EITI implementation. These are two very different, but complementary types of frameworks, as shown in Table 4.

Table 4: Complementarity between national and international measurement efforts

	GIZ Guidelines	Country-sensitive international framework
Objective	To help countries develop national M&E Frameworks for EIT Implementation.	To help the EITI IS aggregate evidence of EITI results across countries, in a way that is sensitive to, and helps understand, country differences.
Country focus	Resulting frameworks are specifically tailored to individual countries, their implementation contexts and national objectives.	Nested or modular approaches identify key differences between countries and how they can be measured.

Who is involved	EITI IS and Board adopt and promote the Guidelines, likely in collaboration with GIZ. Countries adapt the guidelines to develop national frameworks, likely with international financial and technical support, on a country-by-country basis.	Development of the framework is country-led. The EITI IS coordinates the process.
Sequencing	Support should be made available immediately, for country uptake as appropriate on a per country basis.	Work should begin immediately, and in tandem with efforts to strengthen internal systems and build an organizational culture for learning. An aggregate international framework will, however, require a significant time investment.

It is important to note that this review recommends adopting and promoting the GIZ Guidelines as a "quick win" because the relatively low cost of doing so may have transformational impacts in several implementing countries. Development of an international country-sensitive measurement framework is described as a key long-term investment because that investment will take time to bear fruit. That does not mean it should be postponed. Promptly pursuing a country-sensitive framework may well have immediate benefits for countries measurement capacities and for building an organizational culture of learning.
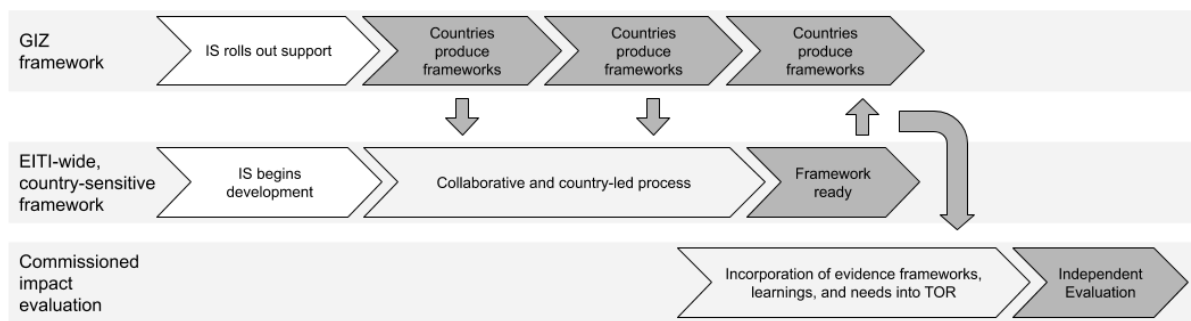
4.2.5. Sequencing

Prioritization should not be confused with sequencing. "Quick wins" are activities that can be competed quickly and will likely be finished before other activities. This does not mean that EITI should wait. Work on key strategic investments can and should begin immediately, but will likely take time to implement and will be usefully informed by results from "quick win" activities.

For example, roll out of the GIZ Guidelines, a new Guidance Note for reporting, and an institutional impact narrative are all likely to produce important insights and results at the country and IS levels. These should inform ongoing work on key strategic investments like a country-sensitive measurement framework and resourcing a senior learning officer. These "mid-term" kinds of investments are never really "done" but they produce outputs, they can inform an iterative approach to quick win activities that have been completed, as countries revise their use of the GIZ Guidelines to accommodate an EITI-wide country-sensitive framework. This dynamic is illustrated in Figure 3, with examples from each type of prioritized activity.

The important point is that prioritization and sequencing are tactical decisions, but most of the activities recommended here are mutually reinforcing and can begin immediately. Only one activity, commissioning an independent evaluation, should clearly be postponed until other work is completed.

Figure 3: Sequencing and mutual reinforcement of priorities

4.3.   Closing reflections

This review has confirmed a number of factors that frustrate the effective measurement and assessment of EITI results. This begins with the inherent complexity of EITI, including diversity of countries and stakeholders, as well as the complex policy environment in which EITI seeks to facilitate change - a complexity that has been exacerbated by the growth of EITI membership and the expanding topical scope of the EITI Standard.

Increased complexity has not, however, been matched by increased attention to how results can be measured and assessed. Indeed, the current state of measurement practice in EITI can be characterized as "messy" at best. There is a striking difference between the IS and implementing countries in terms of priorities, demands, and capacities, but capacities are generally low. This has created a situation in which the demand for better evidence is universally acknowledged, but evidence needs are not defined, consistently understood, or at all met by current measurement practice.

Addressing this shortcoming will face several very significant challenges, and will require a holistic and systematic response. There is no check box or turnkey solution to building EITI capacity and processes such that measurement practice produces the evidence of results that EITI actually needs. Simply adopting a measurement framework or commissioning an impact assessment will not be sufficient.

Instead, EITI will need to invest deliberately in its own capacities to evaluate different assessment needs and solutions, so that stakeholders across the initiative are able to determine what kinds of measurement approaches are best suited to their evidence needs. To facilitate that effort, this review provides a preliminary analysis of key challenges, and proposes specific activities and their prioritization.

Much of the actual work remains to be done, however, and almost all activities proposed here will require the EITI IS to invest time and energy into planning how activities are implemented, to avoid superficial exercises or outputs that are not valued or used by stakeholders. Three strategic objectives have been proposed to help guide that work, but it is essential that the EITI Board commit to improving measurement and evaluation practice, and signal that commitment widely within the initiative. Tasking the IS with implementing recommendations in this review is a good first step, but should be subject to follow-up and active Board engagement.

In the multi-stakeholder transparency space, EITI is the most recognized and widely researched initiative, but may also be the initiative most poorly positioned to assess its own results. There is an opportunity here, to not only resolve that contradiction and make EITI a recognized leader in results measurement and assessment, but also to shape how these issues are managed by the wider field, while improving EITI results and implementation across country contexts. The agenda for improving measurement should be understood as part of this wider effort.

ANNEXES

The following annexes accompany Results Measurement and Impact Assessment in EITI: a Review of Best and Current Practice, an independent review conducted by Christopher Wilson (oslo.wilson@gmail.com), and presented in draft form March 2020.
Not for sharing or circulation.

A. Annotated bibliography

Below is a presentation research conducted on the EITI 2015. It is organized according to types and lightly annotated with key findings. This list is not exhaustive, and includes only research that is likely illustrative or instructive for thinking about impact and measurements of results.

EITI-specific materials include meta-analyses and literature reviews (4), large-n and small-n comparatives studies (9, 6), instructive case studies documenting some type of success (3), and other instructive case studies (10).

Non-EITI-specific materials include evaluations and reviews (18) and resources for measurement and evaluation (12), organized by date.

EITI specific materials

Meta-analyses and literature reviews

Klein, A., 2017. Pioneering extractive sector transparency. A PWYP perspective on 15 Years of EITI. Extr. Ind. Soc. 4, 771–774. https://doi.org/10.1016/j.exis.2017.10.008

Rustad, S.A., Le Billon, P., Lujala, P., 2017. Has the Extractive Industries Transparency Initiative been a success? Identifying and evaluating EITI goals. Resour. Policy 51, 151–162. https://doi.org/10.1016/j.resourpol.2016.12.004

Van Alstine, J., 2017. Critical reflections on 15 years of the Extractive Industries Transparency Initiative (EITI). Extr. Ind. Soc. 4, 766–770. https://doi.org/10.1016/j.exis.2017.10.010

Lujala, P., Rustad, S.A., Le Billon, P., 2017. Has the EITI been successful? Reviewing evaluations of the Extractive Industries Transparency Initiative. C. U4 Policy Br. https://www.u4.no/publications/has-the-eiti-been-s.

Large N comparative studies

Moses, O., Houqe, M.N., van Zijl, T., 2018. **What is the economic value of the Extractive Industries Transparency Initiative (EITI) information disclosure?** J. Contemp. Account. Econ. 14, 216–233. https://doi.org/10.1016/j.jcae.2018.05.003	"...investors appear to take note of EITI information disclosures, and that the disclosures have a positive impact."
Lujala, P., 2018. **An analysis of the Extractive Industry Transparency Initiative implementation process.** World Dev. 107, 358–381. https://doi.org/10.1016/j.worlddev.2018.02.030	"...several factors influence progress and proposes that these can be categorized as internal motivation, internal capacity, and external pressure to implement the Standard"

Corrigan, C.C., 2017. **The effects of increased revenue transparency in the extractives sector: The case of the Extractive Industries Transparency Initiative**. Extr. Ind. Soc. 4, 779–787. https://doi.org/10.1016/j.exis.2017.03.004	"...EITI has had a significant and positive effect on economic development [...] but these effects have not yet been translated to observable and significant improvements in control of corruption."
Malden, A., 2017. **A safer bet? Evaluating the effects of the Extractive Industries Transparency Initiative on mineral investment climate attractiveness**. Extr. Ind. Soc. 4, 788–794. https://doi.org/10.1016/j.exis.2017.01.008	"statistically significant positive impact on a country's ability to attract mining company investment"
Kasekende, E., Abuka, C., Sarr, M., 2016. **Extractive industries and corruption: Investigating the effectiveness of EITI as a scrutiny mechanism**. Resour. Policy 48, 117–128. https://doi.org/10.1016/j.resourpol.2016.03.002	"EITI membership is positively associated with poorer governance through enhanced perceived corruption"
David-Barrett, E., Okamura, K., 2016. Norm **Diffusion and Reputation: The Rise of the Extractive Industries Transparency Initiative**. Governance 29, 227–246. https://doi.org/10.1111/gove.12163	"...countries that commit to joining EITI and make progress in implementing the standard receive increased volumes of aid."
Sovacool, B.K., Walter, G., Van de Graaf, T., Andrews, N., 2016. **Energy Governance, Transnational Rules, and the Resource Curse: Exploring the Effectiveness of the Extractive Industries Transparency Initiative (EITI).** World Dev. 83, 179–192. https://doi.org/10.1016/j.worlddev.2016.01.021	"...performance in governance and economic development metrics of EITI countries is almost never better during EITI candidacy and compliance than Pre-EITI."
Öge, K., 2016. **To disclose or not to disclose: How global competition for foreign direct investment influences transparency reforms in extractive industries.** Energy Policy 98, 133–141. https://doi.org/10.1016/j.enpol.2016.08.019	"EITI members not only have higher FDI levels compared to non-members, but these investments increase once countries join the initiative."
Papyrakis, E., Rieger, M., Gilberthorpe, E., 2016. **Corruption and the Extractive Industries Transparency Initiative**. J. Dev. Stud. 1743–9140. https://doi.org/10.1080/00220388.2016.1160065	Panel data suggests that "on the whole, a shielding mechanism against the general tendency of mineral-rich countries to experience increases in corruption over time."

Small N comparative studies

Cazar, I.M.L., 2020. **Does the Extractive Industries Transparency Initiative (EITI) help reduce corruption in Latin America ? Evidence from Colombia, Guatemala, Honduras, Peru, and Trinidad and Tobago** (No. 652).	"In most cases, there is not a decrease in corruption. Instead, there is a marginal increase in corruption. Several reasons could explain these findings..."

Cuvillier, E., Kannan, S.P., 2019. **EITI as an Instrument of Fiscal Transparency and Accountability in Contexts of Fragility and Violence (FCV): a Comparative Case Study of Afghanistan and Iraq** (No. 176:1), MENA Knowledge and Learning Quick Note Series.	"...two important links were observed: (i) at times, administrative reforms were required to facilitate effective data collection, warehousing, and disclosures, and (ii) the data collected could be used for improved administrative and developmental outcomes."
Arond, E., Bebbington, A., Dammert, J.L., 2019. **NGOs as innovators in extractive industry governance. Insights from the EITI process in Colombia and Peru.** Extr. Ind. Soc. 6, 665–674. https://doi.org/10.1016/j.exis.2019.01.004	"While there are clear structural factors that limit NGOs' abilities to deliver change through multi-stakeholder groups (Boström and Tamm Hallström, 2010), it is also the case that NGOs with certain capacities (sustained funding, stable expert personnel, capital city location, international linkages) have been able to negotiate space for change within these structures." "...three major phases of EITI: a first phase focused purely on fiscal issues; a second phase from approximately 2012 to 2016 that was one of expansion, with new issues being introduced through NGO-led innovations in national contexts, complemented by international-level NGO pressures and country-to-country learning, that helped foster both national and global changes; and a third phase, unfolding currently, characterized by a backlash and resistance to the new issues that were introduced in the second phase. "
Bebbington, A., Arond, E., Dammert, J.L., 2017. **Explaining diverse national responses to the Extractive Industries Transparency Initiative in the Andes: What sort of politics matters?** Extr. Ind. Soc. 4, 833–841. https://doi.org/10.1016/j.exis.2016.11.005	"We conclude that the EITI, and the idea of transparency, are leveraged by national actors to meet domestic political goals and interests, [and this affects political settlements] primarily by helping deepen domestic political changes that are already underway and that were the same political changes that created the initial space for EITI."
Öge, K., 2017. **Transparent autocracies: The Extractive Industries Transparency Initiative (EITI) and civil society in authoritarian states.** Extr. Ind. Soc. 4, 816–824. https://doi.org/10.1016/j.exis.2016.12.010	"while on paper civil society groups are part of the national multi-stakeholder process, in practice independent NGOs are finding it more and more difficult to exercise their monitoring and whistleblowing capacities due to political, technical, financial and bureaucratic constraints. [...] NGOs remain the weakest link in majority of EITI-implementing states.
Sovacool, B.K., Andrews, N., 2015. **Does transparency matter? Evaluating the governance impacts of the Extractive Industries Transparency Initiative (EITI) in Azerbaijan and Liberia**. Resour. Policy 45, 183–192. https://doi.org/10.1016/j.resourpol.2015.04.003	"..while the EITI affirms the salience of reliable information and data about the extractive industries, it is difficult to attribute governance improvements casually to the EITI."

Instructive cases documenting some kind of "success"

Rosser, A., Kartika, W., 2019. **Conflict, contestation, and corruption reform: the political dynamics of the EITI in Indonesia**. Contemp. Polit. 0, 1–18. https://doi.org/10.1080/13569775.2019.1693244	"Indonesia was slow to sign up to and implement the EITI but eventually did so. It has remained compliant with the initiative more or less ever since, although its commitment has waned in recent years. We argue that this response reflected the changing balance of power between four sets of actors – national politico-business elites, regional politico-business elites, controllers of mobile capital, and subordinate classes and their NGO allies – as affected by economic shocks, political mobilisation, and elites' political strategies."
Brown, T., 2016. **Testing Transparency: The Political Economy of the Extractive Industries Transparency Initiative in Myanmar** (No. 38), Research Paper.	"... EITI can sometimes provide a vehicle for potentially significant domestic reforms – particularly at moments of broader political and economic change; that shared decision-making platforms for state, private sector and civil society actors can play an important role in building trust and delivering reforms in low trust settings; and that progress, however, may be built on contestation as much as it is on cooperation and coordination"
Vijge, M.J., Metcalfe, R., Wallbott, L., Oberlack, C., 2019. **Transforming institutional quality in resource curse contexts: The Extractive Industries Transparency Initiative in Myanmar.** Resour. Policy 61, 200–209. https://doi.org/10.1016/j.resourpol.2019.02.006	"...transformations are characterised by spin-off effects, dynamic interlinkages, reinforcing cycles, and emerging trade-offs and limitations of different aspects of institutional quality"

Other instructive cases

Rosser, A., Kartika, W., 2019. Conflict, contestation, and corruption reform: the political dynamics of the EITI in **Indonesia**. Contemp. Polit. 0, 1–18. https://doi.org/10.1080/13569775.2019.1693244

Ejiogu, A., Ejiogu, C., Ambituuni, A., 2019. The dark side of transparency: Does the **Nigeria** extractive industries transparency initiative help or hinder accountability and corruption control? Br. Account. Rev. 51, 100811. https://doi.org/10.1016/j.bar.2018.10.004

Al Kubaisi, S., Al Maraghi, M., Al Naimi, Noora, Al Naimi, Najla, Al Bashir, R., Al Subaey, S., 2018. Accession of **Lebanon** to the Extractive Industries Transparency Initiative (EITI): Lessons Learned, Analysis, and Legal Aspects of Accession, International Review of Law, Trade Lab Special issue. https://doi.org/10.29117/irl.2019.0010

Hoinathy, R., Jánszky, B., 2017. The Extractive Industries Transparency Initiative (EITI): The latest attempt at governing the extractive industries in **Chad**. Extr. Ind. Soc. 4, 825–832. https://doi.org/10.1016/j.exis.2017.11.004

Alili, A., Bittner, V., 2017. The cost of **Azerbaijan's** leaving the Extractive Industries Transparency Initiative (EITI): Analysis of the impact on the economy and civil society.

Öge, K., 2014. The Limits of Transparency Promotion in **Azerbaijan**: External Remedies to 'Reverse the Curse.' Eur. - Asia Stud. 66, 1482–1500. https://doi.org/10.1080/09668136.2014.956448

Andrews, N., 2016. A Swiss-Army Knife? A Critical Assessment of the Extractive Industries Transparency Initiative (EITI) in **Ghana**. Bus. Soc. Rev. 121, 59–83.

Sequeira, A.R., McHenry, M.P., Morrison-Saunders, A., Mtegha, H., Doepel, D., 2016. Is the Extractive Industry Transparency Initiative (EITI) sufficient to generate transparency in environmental impact and legacy risks? the **Zambian** minerals sector. J. Clean. Prod. 129, 427–436. https://doi.org/10.1016/j.jclepro.2016.04.036

Brown, T., 2016. Testing Transparency: The Political Economy of the Extractive Industries Transparency Initiative in **Myanmar** (No. 38), Research Paper.

Furstenberg, S., 2015. Consolidating global governance in nondemocratic countries: Critical reflections on the Extractive Industries Transparency Initiative (EITI) in **Kyrgyzstan**. Extr. Ind. Soc. 2, 462–471. https://doi.org/10.1016/j.exis.2015.06.007

Non-EITI specific materials

Evaluations and reviews regarding transparency in the extractives sector

1. Government of Canada, 2020. Formative Evaluation of Canada ' s Development Assistance on Extractives and Sustainable Development FY 2010-11 to FY 2016-17. 2018 1–43.

2. Falla, R., Foti, J., Hickle, J., 2019. The Open Government Partnership and the Extractive Industries.

3. Haldrup, S.V., Jones, E., Hutchings, C., 2019. Open Government Partnership Evaluation Inception Report.

4. Rathinam, F., Cardoz, P., Gaarder, M., Siddiqui, Z., 2019. Transparency and accountability in the extractives sector: A synthesis of what works and what does not (No. 33), Governance.

5. Turianskyi, Y., Chisiza, M., 2018. Peer Pressure and Learning in Multi-stakeholder Initiatives.

6. Annotated Bibliography: Transparency, accountability, and participation along the natural resource value chain, 2018. . Washington D.C.

7. Leone, S., Gruzd, S., Rawhani, C., Turianskyi, Y., 2018. Multi-Stakeholder Initiatives in Africa.

8. Turianskyi, Y., Corrigan, T., Chisiza, M., Benkenstein, A., 2018. Multi-stakeholder Initiatives: What Have We Learned? An Overview and Literature Review.

9. Scheid, P., Asunka, J., 2018. What we've learned so far from our transparency, participation, and accountability strategy evaluation [WWW Document]. Hewlett Found. URL https://hewlett.org/what-weve-learned-so-far-from-our-transparency-part... (accessed 1.8.20).

10. Data, B., Decisions, B., 2018. Data Use Landscaping. London.

11. Pousadela, I., 2017. Civic Space Under Threat in Extractive Industries Transparency Initiative.

12. Vian, T., Kohler, J.C., 2016. Medicines Transparency Alliance (MeTA): Pathways to Transparency , Accountability and Access Medicines Transparency Alliance (MeTA): Pathways to Transparency , Accountability and Access.

13. Open Contracting Partnership, 2016. Learning With and For our Partners: the Open Contracting Partnership's approach to monitoring, evaluating, and learning.

14. Brockmyer, B., 2016. Global Standards in National Contexts: the role of transnational multi-stakeholder initiatives in public sector governance reform. https://doi.org/10.2139/ssrn.2883203

15. Carter, B., 2016. Infomediaries and accountability: a GSDRC Helpdesk Research Report. Birmingham, UK.

16. Vervynckt, M., 2015. An assessment of transparency and accountability mechanisms at the European Investment Bank and the International Finance Corporation, Briefing.

17. Vaillant, C., Leader, T., Spray, P., 2015. Independent External Evaluation of the Construction Sector Transparency Initiative (CoST) FINAL REPORT.

18. Brockmyer, B., Fox, J., 2015. Assessing the Evidence: The Effectiveness and Impact of Public Governance-Oriented Multi-Stakeholder Initiatives.

Relevant resources for measurement and evaluation

1. Aston, T., 2020. **Contribution Rubrics: a simple way to assess influence**.

2. Lipovsek, V., Tsai, L.L., 2018. **How to Learn from Evidence : A Solutions in Context Approach.**

3. Ojok, R. ronal, 2018. **What Makes a Good Monitoring and Evaluation and Learning System?** [WWW Document]. Transpar. Account. Initiat. URL

https://www.transparency-initiative.org/blog/2276/makes-good-monitoring-evaluation-learning-system/ (accessed 1.8.20).

4. Various resources in the **OECD DAC Network on Development Evaluation**, available at http://www.oecd.org/development/evaluation/.

5. Berdou, E., Ayala, L.M., 2018. **A review of relevant methods and frameworks for impact evaluation of open data**, Godan Action Learning Paper.

6. Darby, S., Neumann, L., 2017. **Monitoring and Evaluation (M&E) of EITI Implementation** – Guideline.

7. Rathinam, F., 2017. **Soft Standards and Long Causal chains: Challenges and Opportunities in Evaluating TAI in Extractives sector (presentation).**

8. Williams, M.J., 2017. **External validity and policy adaptation : a five- step guide to mechanism mapping**. Oxford.

9. Pellegrini, M., 2017. **Sharing NRGI's ME&L framework and one example of a multi-country program evaluation (presentation).**

10. Heller, K., III, W. van W., Kumagai, S., Jarvis, M., Agarwal, S., Dreger, T., 2016. **Integrating Social Accountability Approaches into Extractive Industries Projects** (No. 31), Extractive Industries and Development Series.

11. Caldeira, R., Werner, D., 2015. **Are We on the Road to Impact?: Transparency International Monitoring Guide.**

12. Vanclay, F., Esteves, A.M., Aucamp, I., Franks, D.M., 2015. **Social Impact Assessment: Guidance for assessing and managing the social impacts of projects.**

13. Wilson, C., 2014**. Measuring impact on-the-go: a user's guide for monitoring tech and accountability programming.**

Annex B: Recommendations from previous reports and evaluations

The EITI Board and International Secretariat have received multiple recommendations to improve its practice for results measurement and for how to do so. These have been included in the independent evaluations commissioned by EITI, as well as third party reports and assessments produced by third parties, and a "briefing note" provided as "food for thought" by a Supporting Country's Ministry for Development. These recommendations are presented below in reverse chronology.

A (2019) *Internal Briefing Note* provided by a Supporting Country notes that

- "Before considering concrete methodological approaches to EITI impact measurement, it is critical to establish what is being measured, which indicators are being used and what conclusions could be drawn from the analysis of these indicators. Any study of EITI's impact requires a solid understanding of the Initiative's benefits in the specific context. Only once an understanding of the mechanisms behind EITI is developed can measurement of EITI's success be addressed"

GIZ's (2016) *Assessing the effectiveness and impact of the extractive industries transparency initiative (EITI)*[48] suggests that

- "M&E aspects should be strengthened at the occasion of the next modification of the Standard, guidance notes and model Terms of Reference for the Validator" (p 94).
- "Wherever possible, global M&E data should be used to legitimize and to guide decisions on the overall course of the Initiative" (p 94).
- "Change from a numeric to a more qualitative approach of growth" (p 93).
- "Measure the perception of impact [in contexts] characterized by a lack of statistical data and weak monitoring and evaluation capacities" (p 92).

Darby et al's (2015) *Review of International Governance and Oversight*[49] recommends

- Establishing an "Implementation Forum that would sit separately from the Board but have the explicit role of strengthening the flow of information between implementing countries and the Board" (p 4),

MSI Integrity's (2015) *Protecting the Cornerstone*[50] report on MSG governance recommends that EITI

- "Revise the validation process to ensure it can reliably detect non-compliance," and that "This revision should explicitly seek public and expert input, and draw on good practices for monitoring and evaluation"(p xiii).

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[48] See https://eiti.org/document/assessing-effectiveness-impact-of-extractive-industries-transparency-initiative-eiti.
[49] See https://eiti.org/document/review-of-international-governance-oversight-of-eiti.
[50] See https://www.business-humanrights.org/en/institute-for-multi-stakeholder-initiative-integrity-msi-integrity-0.

ScanTeam's (2005) *Joint Review of Technical and Financial Support to an Evolving Global Governance Mechanism*[51] recommends that

- MSGs "Move to three-year rolling work plans as a means to (i) focus on EITI's strategic objectives, (ii) include wider groups of stakeholders and build linkages to and alliances with relevant reform processes, (iii) invite in key external partners such as the EITI IS and World Bank in the planning process so as to generate maximum benefits from available resources, (iv) contains a monitoring and evaluation framework that will allow for performance tracking" (p 6).

Brockmyer and Fox's (2015)[52] review of the evidence for the impact of public governance MSIs recommends that MSI Boards and Secretariats

- "develop more sophisticated monitoring and evaluation practices that establish coherent links between their strategic objectives, their activities, and their medium and long-term metrics of progress";
- "seek to integrate a greater emphasis on monitoring and evaluation into their organizational culture by designating internal staff to monitor ongoing MSI progress, and by encouraging regular independent evaluations conducted by credible experts;" and
- "encourage or conduct political baseline assessments in all participating countries" (p 62).

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[51] See https://norad.no/om-bistand/publikasjon/2015/joint-review-eiti-and-eiti-multi-donor-trust-fund-resourcing-of-eiti/.
[52] See http://www.transparency-initiative.org/uncategorized/429/assessing-the-evidence-the-effectiveness-and-impact-of-public-governance-oriented-multi-stakeholder-initiatives/.

Annex C: Terms of Reference

Independent review of the EITI's approach to evaluation and impact assessment

22 November 2019

1. Summary

Proposals are sought from qualified consultants to undertake an Independent review of the Extractive Industries Transparency Initiative's (EITI) approach to evaluation and impact assessment. This should include:

1. A short desk review of emerging best practice regarding results-based monitoring and evaluation and impact assessment in similar transparency and accountability and multi-stakeholder initiatives;

2. A review of the EITI's current approach to results-based monitoring and evaluation and impact assessment, both at the national and global level;

3. A report summarising these findings, with an emphasis on setting out options for strengthening the EITI's approach for consideration by the EITI Board, to include recommendations for the International Secretariat and implementing countries.

The consultant is to prepare an initial summary and briefing for consideration by the EITI Board at the Board retreat in Oslo on 12 February. Based on the feedback from the EITI Board and the International Secretariat, the consultant should prepare a draft report for consideration by the Board by 13 March 2020. Following a further round of comments, the final report should be finalised by 8 May 2020.

A combined technical and financial proposal must be delivered by **17:00 CET 9 December 2019** to Christina Berger (CBerger@eiti.org).

5. 2. Background

The Extractive Industries Transparency Initiative (EITI) is a global coalition of governments, companies and civil society working together to improve the openness and accountable management of oil, gas and minerals for the benefit of the citizens living in countries with significant resource endowments.[53] The EITI was established in the belief that "the prudent use of natural resource wealth should be an important engine for sustainable economic growth that contributes to sustainable development and poverty reduction, but if not managed properly, can create negative economic and social impacts"[54].

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[53] www.eiti.org
[54] https://eiti.org/document/eiti-principles

A key feature of EITI implementation is country ownership, based on the principle that the "management of natural resource wealth for the benefit of a country's citizens is in the domain of sovereign governments to be exercised in the interest of their national development".[55] The EITI is implemented at the national level in 52 member countries. Implementation is overseen by national multi-stakeholder group (MSG) comprising of representatives from government, companies and civil society.

At the global level, the EITI has established a set of global of minimum standards for transparency and accountability. Initially designed to focus on company tax payments and government revenue disclosure, the EITI has evolved into a broader instrument seeking to improve transparency and accountability along the natural resource management value chain. The most recent articulation of these requirements is set out in the *2019 EITI Standard.*[56] Through EITI implementation, **governments commit to transparently disclose information** about the country's extractive sector, including the legal framework, production and exports statistics, licenses, state participation in the sector, the amount of revenue collected, the beneficial owners of companies and how these revenues are allocated. The publication, dissemination and public debate of this information enables citizens to hold their government to account for how the sector is managed, and thus contribute to reducing mismanagement, corruption and conflict.

While these global standards are an essential feature of the EITI's work, EITI implementation at the national level also varies widely based on national circumstances and priorities. The EITI Standard specifically encourages implementing governments and MSGs "to explore innovative approaches to extending EITI implementation to inform public debate about natural resource governance and encourage high standards of transparency and accountability in public life, government operations and in business".[57]

With the introduction of the EITI Standard in 2013, country work plans became more important. They establish the objectives for national EITI implementation, reflecting the government and other stakeholders' priorities for the extractive sector. A key reason for introducing this requirement was that EITI implementation was not addressing the most relevant issues in many countries. Rather, countries were focused on implementing the EITI requirements without regard to whether the EITI Reports were bringing about transparency in the most pressing areas and contributing to debates of national interest. While country work plans increasingly include objectives for EITI implementation that are linked to wider challenges in the sector, it is widely recognised that the EITI is not yet delivering on its potential in many countries. Due to strict deadlines and consequences (including suspension and delisting), implementation activities often remain centred around the EITI reporting cycle. A fully developed results framework is not yet in place to monitor progress on outputs and outcomes through EITI implementation.

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[55] Ibid
[56] See: https://eiti.org/document/eiti-standard-2019
[57] See 2019 EITI Standard Requirement 1.5: https://eiti.org/document/eiti-standard-2019#r1-5

Monitoring and evaluation of the EITI

From the outset, the EITI has worked to develop tools to ensure that the EITI has a robust approach to monitoring and evaluating the effectiveness of EITI implementation.

(a) Country level evaluations

Each year, the MSG is required to review the outcomes and impact of EITI implementation on natural resource governance.[58] There have been a wide array of monitoring and evaluation activities. Several countries have commissioned independent evaluations. The majority of MSGs have some form of monitoring framework (log frames and other KPIs are often a requirement from donor organisations).

Prior to 2019, the EITI Standard required that this work was documented in Annual Progress Reports (APRs) which were submitted to the EITI International Secretariat.[59] The EITI undertook an internal review of APRs in 2017.[60] The review concluded that: "… the APRs and the template in their current form fail to tell the story of the EITI or show impact in the 52 countries. Furthermore, they do not appear to be in a good format for communicating the EITI to a wider audience" [61]. In the majority of cases, the APRs focused on documenting the activities that had been undertaken and the outputs that had been produced, with limited analysis of the impact of this work.

In the 2019 EITI Standard, the requirement to review the outcomes and impact of EITI implementation was revised to provide greater flexibility for implementing countries to document the impact of EITI implementation, including whether the objectives for implementation are being fulfilled. The annual review of impact and outcomes must include:

- A summary of EITI activities undertaken in the previous year and an account of the outcomes of these activities;

- An assessment of progress towards meeting each EITI Requirement, and any steps taken to exceed the requirements. This should include any actions undertaken to address issues that the multi-stakeholder group has identified as priorities for EITI implementation;

- An overview of the multi-stakeholder group's responses to and progress made in addressing the recommendations from reconciliation and Validation. …

- An assessment of progress towards achieving the objectives set out in its work plan (Requirement 1.5), including the impact and outcomes of the stated objectives.

- A narrative account of efforts to strengthen the impact of EITI implementation on natural resource governance, including any actions to extend the detail and scope of EITI reporting or to increase engagement with stakeholders.

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[58] See https://eiti.org/document/eiti-standard-2019#r7-4
[59] A compendium of APRs is available here.
[60] See Board Paper 38-2-A Implementation Progress Report (IPR) June – October 2017. "Thematic focus: Review of the 2016 Annual Progress Reports".
[61] Ibid

- In addition, the multi-stakeholder group is encouraged to document how it has taken gender considerations and inclusiveness into account.

There is no standardised template for these reports.

(b) Validation

The evaluation activities undertaken by the national MSG is complemented by an independent Validation.[62] Validation is an essential feature of the EITI process, involving:

(1) initial preparation by the MSG,
(2) initial data collection by the EITI international secretariat;
(3) review by an independent Validator, and
(4) review by the EITI Board.

It is intended to provide all stakeholders with an impartial assessment of whether EITI implementation in a country is in line with the provisions of the EITI Standard. The Validation report, in addition, seeks to identify the impact of the EITI in the country being validated, the implementation of activities encouraged by the EITI Standard, lessons learnt in EITI implementation, as well as any concerns stakeholders have expressed and recommendations for future implementation of the EITI. Over 80% of EITI countries have completed their first Validation since the process was introduced in 2016, producing a substantial dataset that covers 1,386 individual requirements of the EITI Standard.[63] To date, 10 countries have undergone a second Validation. While there is evidence of backsliding in some countries, many second Validations reveal progress on addressing shortcomings identified in corrective actions. Out of the 100 corrective actions that were identified in first Validations, 80 were considered to have been fully addressed in second Validations.

Validation provides a very detailed and rigorous assessment of adherence to the EITI Standard and has been a catalyst to address aspects of EITI implementation that multi-stakeholder groups (MSGs) have found challenging. Validation has also identified weaknesses in EITI implementation that have not previously been identified by government agencies, MSGs, Independent Administrators, or the International Secretariat.

Validation has also been an opportunity to review the effectiveness of EITI implementation. The EITI Standard specifies disclosure requirements, but the objectives of this work need to be contextualised by MSGs in implementing countries. In the majority of cases, Validation has shown that the EITI objectives (as documented in the work plan) are too general to be practically relevant for implementation. While the EITI process and outputs are valued by stakeholders, the impact of EITI implementation is often unclear. Validation has often identified opportunities for the EITI to have a greater impact in informing public debate. However, the current Validation model tends to focus on the technical corrective actions needed to achieve compliance rather than the wider opportunities to increase the relevance of EITI implementation for all stakeholders. In 2019, the EITI Board agreed to undertake a review of the Validation process, considering specific challenges associated to the assessment of

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[62] See https://eiti.org/overview-of-validation
[63] See https://eiti.org/blog/crunching-numbers-on-eiti-validation

requirements on beneficial ownership, project-level disclosures and contract transparency.[64] The current exercise should inform this review.

(c) Global KPIs and Evaluations

In 2018 the EITI Board agreed an approach for or measuring the results of the EITI Management and Secretariat.[65] It has three dimensions:[66]

1. First, the secretariat's KPIs were revised to better distinguish between efforts and effectiveness of the EITI (i.e. inputs and activities) and the immediate results of these efforts (i.e. outputs).

2. Second, that Validation findings are used as indicators for measuring outcomes of EITI implementation. The new outcome indicators, based on Validation results, are all necessary to properly influence (i) national governance of natural resource wealth, (ii) investment and business climates, and (iii) sustainable economic growth and development; all of which are the broadly stated objectives from the EITI Principles.

3. Last, that a large number of indicators are maintained and reported in the EITI Progress Report The reduction in indicators from 93 to 89 is only slight but due to greater data availability and the quality of the information, the data will be significantly easier to collect, monitor and analyse. The expectation is that if the EITI is successfully being implemented in accordance with its Principles, countries should score better every year on these selected indexes.

The International Secretariat documents these indicators in its yearly Secretariat Work plan[67], under the annex "Key Performance Indicators (KPIs)". The International Secretariat highlights progress and impact across EITI countries in its annual report, "Progress Report".[68]

(d) Evaluation and Impact

Finally, the EITI has undertaken and supported several independent evaluations:

- In 2011, the EITI Board commissioned a review entitled: "Achievements and Strategic Options: Evaluation of the Extractive Industries Transparency Initiative".[69] This review played a key role in expanding the scope of EITI implementation through the 2013 EITI Standard.[70]

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[64] See https://eiti.org/board-decision/2019-48
[65] See https://eiti.org/board-decision/2018-30
[66] See https://eiti.org/KPIs
[67] See https://eiti.org/document/secretariat-work-plan-20072019
[68] See here
[69] See https://eiti.org/document/achievements-strategic-options-evaluation-of-extractive-industries-transparency-initiative
[70] See https://eiti.org/blog/charting-next-steps-for-transparency-in-extractives

- In 2015, the EITI and World Bank's EITI Multi-donor Trust Fund commissioned a joint review of "Resourcing of the Extractive Industries Transparency Initiative".[71] This was not an impact evaluation. The objective of the joint review was "to assess if support to EITI implementing countries is appropriately organized and resourced". The review provided a series of recommendations to strengthen technical and financial support at the national and global level.

The EITI has also been the subject of dozens of independent evaluations and research projects. In 2017, U4 undertook a review of 50 evaluations of the EITI.[72] They ask "*Has the EITI been successful?*", and conclude:

> *Many efforts have been devoted to improving resource governance through the Extractive Industries Transparency Initiative. A review of 50 evaluations concludes that the EITI has succeeded in diffusing the norm of transparency, establishing the EITI standard, and institutionalizing transparency practices.*
>
> *Yet, there remains an evidence gap with regard to the mechanisms linking EITI adoption and development outcomes. Addressing this gap will require developing a theory of change for the EITI and demonstrating causality through more sophisticated methods. The cost-effectiveness of the EITI will also need to be compared to other policy options.*

Developing "a [single] theory of change for the EITI [globally] and demonstrating causality through more sophisticated methods", as suggested above, is particularly challenging. Some studies, such as Papyrakis, Rieger & Gilberthorpe (2016) focus specifically on the impact of the EITI on corruption[73]. Others, such as Acosta (2013) take a wider approach a seek to measure the impact and effectiveness on a wider set of governance improvements.[74]

The challenge is that EITI stakeholders understand and measure impact in different ways, depending on their background, viewpoint and priorities. For some, it is about creating trust and lessening conflict, for others it is about economic growth, attracting investments, widening the democratic space or improving government accountability. The TAI Study "Assessing the Evidence: The Effectiveness and Impact of Public Governance-Oriented Multi-Stakeholder Initiatives" provides a useful framework for such an approach.[75]

The BMZ-supported 2016 study "The Assessing the Effectiveness and Impact of the Extractive Industries Transparency Initiative (EITI)" by GIZ took the form of a contribution analysis applying a mix of methods of empirical social research (quantitative and qualitative data collection methods and data analysis) including a perception-based approach by

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[71] See https://eiti.org/document/joint-review-eiti-eiti-multidonor-trust-fund-resourcing-of-extractive-industries

[72] See https://www.u4.no/publications/has-the-eiti-been-successful-reviewing-evaluations-of-the-extractive-industries-transparency-initiative

[73] See https://www.tandfonline.com/doi/full/10.1080/00220388.2016.1160065?scroll=top&needAccess=true

[74] See https://onlinelibrary.wiley.com/doi/10.1111/dpr.12021

[75] See https://www.transparency-initiative.org/blog/429/assessing-the-evidence-the-effectiveness-and-impact-of-public-governance-oriented-multi-stakeholder-initiatives/

survey.[76] It showed that mere quantitative analyses of panel or cross-sectional data to tease out statistical relationships driving observed changes by regression analysis were not adequate to address key issues of impact and causality. The following EITI results areas, that can be considered as key thematic domains of change, have been modeled in this study: 1) Fiscal transparency, 2) Public debate, 3) Anti-corruption, and 4) Trade and investment climate. It provided guidance to set up evaluation of this multi-stakeholder initiative in a way that can be robust enough to survive short-term changes of the evolving initiative, but also flexible enough to measure outcomes and impacts over the long term. As a priority, it recommended developing and applying adequate monitoring and evaluation (M&E) for in-country implementation.

Similarly, a recent mapping of the impact of transparency and accountability interventions in the extractive sector[77] came to the conclusion that:

> *"Given the large investments geared towards transparency and accountability programmes by global initiatives and national authorities, the lack of rigorous evaluation and accountability for results is alarming. At present, we do not know the extent to which programmes achieve their objectives. There is an urgent need to invest in rigorous impact evaluations to learn about the effects of these interventions."*

The EITI's approach to evaluation and impact assessment needs to take into account: (1) the diversity of implementing country circumstances; (2) the divergent (and sometimes conflicting) expectations of different stakeholders and (3) the varying level of capacity of national stakeholders to identify and evaluate impact.

3. Review objectives, tasks and expected deliverables

The objective of this review is to support the EITI Board and International Secretariat in developing its approach to evaluation and impact assessment.

The consultant will be expected to undertake the following tasks:

1. A short desk review of emerging best practice regarding results-based monitoring and evaluation and impact assessment in similar transparency and accountability and multi-stakeholder initiatives. This should draw on leading efforts in this field, such as the Brookings "Leveraging Transparency to Reduce Corruption" project[78] and other reviews of the effectiveness and impact of public governance-oriented multi-stakeholder initiatives.[79]

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[76] See http://www.bmz.de/rue/en/releases/aktuelleMeldungen/2016/september/20160923_EITIimpactstudy_Publikation/index.html

[77] October 2019; The effect of transparency and accountability interventions in the extractive sectors: an evidence gap map, 3ie Evidence gap map report. Available here: https://www.3ieimpact.org/evidence-hub/publications/evidence-gap-maps/effect-transparency-and-accountability-interventions

[78] See https://www.brookings.edu/about-the-leveraging-transparency-to-reduce-corruption-project/

[79] See, for example, https://www.transparency-initiative.org/blog/429/assessing-the-evidence-the-effectiveness-and-impact-of-public-governance-oriented-multi-stakeholder-initiatives/

2. A review of the EITI's current approach to results-based monitoring and evaluation and impact assessment, both at the national and global level (as outlined above);

3. Prepare a report summarising the findings, with an emphasis on setting out options for strengthening the EITI's approach for consideration by the EITI Board, to include recommendations for the International Secretariat and implementing countries.

The estimated input of consultant time is up to 30 days, to include preparation of initial review, board briefing, and drafting and completion of the report.

4. Schedule

The assignment is expected to commence in December 2019 culminating in the finalization of the assignment by early May 2020. The assignment is expected to require a total of 30days. The proposed schedule is set out below:

Contract signature	By 22 December 2019
Desk review	December 2019 – January 2020
Submission of initial outline (for translation)	24 January 2020
Briefing for the EITI Board (Oslo)	12 February 2020
Submission of the draft report	13 March 2020
Comments	+ 4 weeks
Submission of the final report	8 May 2020

5. Qualification Requirements

The consultant must be a reputable firm / individual, perceived by EITI stakeholders to be credible, trustworthy and technically competent.

The consultant will need to demonstrate:

- Expertise in results-based monitoring and evaluation and impact assessment in similar governance and transparency multi-stakeholder initiatives;

- Understanding of governance issues in the oil, gas and mining sectors.

- Previous experience with EITI is not required but would be advantageous.

- Credibility and independence: the consultant needs to be credible in the eyes of the host governments, the private sector and civil society.

In order to ensure the quality and independence of the exercise, consultant is required, in their technical proposal, to disclose any actual or potential conflicts of interest, together with commentary on how any such conflict can be avoided.

6. Procurement Procedure

A consultant / firm will be selected following a quality- and cost-based selection procedure. Consultants should submit a combined technical and financial proposal (3-5 pages excluding CVs) **by 17:00 CEST 9 December 2019** to Christina Berger (CBerger@eiti.org).

- The **Technical proposal** should outline: (a) the experience of the firm / consultants, (b) the proposed methodology and work plan in response to the Terms of Reference (TORs) and (c) the key experts' qualifications and competence.

- The **Financial Proposal** should clearly indicate a lump sum financial proposal, **inclusive** of all applicable taxes. The financial proposal should clearly differentiate fees from any other reimbursable expenses. The daily rates for the consultant fees should be clearly indicated.

The criteria for assessing the proposals is as follows:

Criteria	Weighting
Experience of the Consultant (as a firm) relevant to the Assignment	10%
Adequacy and quality of the proposed methodology, and work plan in responding to the Terms of Reference (TORs)[80]	50%
Key experts' qualifications and competence based on the Qualification requirements (see section 4 above)	40%

The weights given to the Technical (T) and Financial (P) Proposals are:

T = 70%

P = 30%

Contract negotiations will be held with the highest ranked consultant or firm. A template contract is attached below. If contract negotiations are unsuccessful, negotiations will be held with the next highest ranked firm.

7. Payment Schedule

	Deliverable	Payment
1st Payment	Following contract signature.	20%
2nd Payment	Following submission of initial outline and briefing	30%
3rd Payment	EITI acceptance of the final Report.	50%

8. Data and facilities to be provided by the Client

The EITI International Secretariat will provide all the necessary documentation needed to undertake the review, and will facilitate contact with EITI stakeholders as needed.

The EITI Secretariat contact points for the assignment are:

Dr. Samuel Bartlett   and   Ms Christina Berger

Technical Director   Digital Manager
sbartlett@eiti.org   CBerger@eiti.org
+47 9026 7530   +47 967 00 452

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[80] The Client will assess whether the proposed methodology is clear, responds to the TORs, work plan is realistic and implementable; overall team composition is balanced and has an appropriate skills mix; and the work plan has right input of experts