



PUBLISH WHAT
YOU PAY

Defining our shared path

Promoting people-centred governance
in the extractive sector



PWYP International Secretariat

**Trustees' annual report and
financial accounts 2019**

Acknowledgements

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Part 1

Introduction



Since the activities described in this report took place, the world has changed unimaginably. The Covid-19 pandemic has forced people worldwide to do things differently – PWYP included. As we adapt our ways of working, we are hugely grateful that the planning and achievements of 2019 have left us strongly positioned to remain effective in this new environment.

With the adoption in January of Vision 2025, our global strategy for the next five years, 2019 began on an inspiring note – one which provided a solid framework to help us navigate the pandemic. The strategy defines our people-centred agenda for the extractive sector through four goals: to make PWYP better informed, more influential, widely heard and well connected across our network. These goals will enable us to build upon and sustain our global network of civil society organisations in order to make oil, gas and mineral governance more open, accountable, sustainable, equitable and responsive to all people.

During the year, at consultation meetings in each of PWYP's global regions, members agreed priorities for action to implement the strategy, bringing energy and dynamism to mapping our future direction and confirming our purpose as one connected movement. The consultations also helped shape our three-year Operational Plan, detailing the PWYP Secretariat's role in implementing Vision 2025. This reflects learning from our external review of progress against PWYP's 2016-2018 Business Plan, which recommended that the Secretariat shift focus from "network health" (ensuring good internal governance and stable funding) to "network impact" (leading advocacy campaigns for results on the ground). In response, we are preparing new global campaigns to drive the changes outlined in Vision 2025.

During 2019, we also made tangible progress towards a transparent and equitable extractive sector. Our collective advocacy helped secure significant reform of the Extractive Industries Transparency Initiative (EITI) Standard, which now requires contract disclosure by 2021 in 50+ implementing countries and includes critical new gender provisions. We are now working to ensure the meaningful implementation of these new provisions.

We also helped prompt a review of the EITI validation process, including meaningful civil society participation – too often blocked by government restrictions. Throughout 2019, we worked to secure civic space for our members, many operating in increasingly repressive contexts. From supporting individual members under threat, to developing our first strategic framework on civic space, our movement united to safeguard people's freedom to participate in extractive sector governance.

A core element of these successes was ensuring that we are heard as widely as possible. We launched PWYP's new website and enriched our social media presence, dramatically increasing our online visitors. PWYP members kept extractive governance high on the international agenda at key events, including the UN Business Forum, and I was honoured to join the Open Government Partnership Steering Committee, where I will maximise opportunities to promote equitable, participatory natural resource governance.



As the global extractive sector continued to expand, 2019 showed that our work for transparency, accountability and participation in natural resource governance is needed more than ever. It also confirmed that together, we have the collective strength to make a difference to the lives of everyone affected by extraction – even in the coronavirus context. We're working very hard to adapt how we deliver our strategy, but our core goals and our commitment remain unaffected by the pandemic.

Firmly aligned as a movement behind Vision 2025 and our Operational Plan, we ended 2019 on another inspiring note – one with people placed at the heart of all we do. It is this people-centred focus that will enable PWYP to remain impactful during the pandemic, and beyond.

In solidarity,

Elisa Peter
Executive Director



Our strategic goals for 2020-2025

INFORMED

Defending and extending transparency

We will identify and campaign for information which needs to be in the public domain for citizens to use.

INFLUENTIAL

Putting transparency to work

We will use information to drive the changes we want to see.

HEARD

Increasing civic participation in natural resource governance

We will promote, support and defend the right of citizens, particularly the most marginalised, to be involved in decisions that affect them.

CONNECTED

Strengthening our movement

We will be an effective and inclusive global coalition which works through collective action.

Part 2

Welcome letters



From the Chair of PWYP's Global Council

During 2019, the PWYP movement laid the foundations for implementing Vision 2025, our global strategy which puts people at the heart of natural resource governance. The strategy was the focus of our Global Assembly in Senegal in January – a unique opportunity to celebrate our collective achievements and strengthen our movement.

Members and partners from 50 countries worldwide shared experiences, forged ideas and deepened relationships. Together we shaped initial steps towards the strategy's goals for an open, accountable, sustainable, equitable and responsive extractive sector.

Although still not enough, it was significant that 40 per cent of the 250 Global Assembly participants were women. Within its core emphasis on people, Vision 2025 mainstreams gender in all that we do, building on our existing gender focus. During 2019, we continued our pilot participatory gender research project to assess women's EITI involvement in West Africa, and co-organised a session on gender-responsive natural resource governance at the Open Government Partnership Summit in May – proving that politicians, civil society and women's rights activists can come together and generate actionable steps towards equality in extraction.

We also demonstrated leadership in key regional platforms, including the Mining Indaba and the African Mining Vision. Our analysis of the European Commission's public consultation on the EU Transparency Directive greatly strengthened the call for improvement of existing legislation. And at national level, PWYP coalitions worked hard to ensure that extraction benefits communities and people.

Collaborations between PWYP members in Brazil, Kazakhstan, Nigeria and the UK promoted greater disclosure of extractive revenue data, so

people can hold governments and companies to account. PWYP Burkina Faso worked to ensure that mining companies fulfil their legal obligations, paying 1 per cent of revenues to communities, while PWYP Kyrgyzstan helped local people assess the effects of mining, as a basis for dialogue with companies to increase benefits to communities. We also launched a 15-month tax justice project in Uganda, Mozambique and Tanzania to raise awareness about the natural-resource deals governments make, and whether these are fair.

Yet throughout 2019, closing civil society space and increasing human rights abuses continued to prevent PWYP members from operating effectively in many countries. Our regional consultations confirmed this as the leading challenge our members face worldwide. In response, we developed a long-term strategy for protecting civic space, to help us safeguard our members and deliver Vision 2025.

Despite these threats, we continued to map future priorities and strengthen our movement during 2019. We welcomed a new coalition in Kosovo and a freshly elected Global Council, of which I am proud to be the Chair. Regional consultations with PWYP members defined our advocacy priorities as a movement – including environmental and social impact, community participation and revenue transparency.

Members' passion and commitment during 2019 left the PWYP network hopeful and energised.

Our determination to shape a world where all people benefit from their natural resources has never been stronger.

Yours in solidarity,

Chenai Mukumba



From the Chair of PWYP's Board of Trustees

During 2019, PWYP's Board sought to provide a steady hand to help steer our movement's work for an extractive sector that benefits everyone – today and tomorrow. With over 700 member organisations, PWYP's diversity is its strength, but it also means many competing priorities. Together with the Global Council, the Board has helped bring clear overview and direction to the network. We continued to play an active role in strengthening and overseeing PWYP's governance – assessing risks and carrying out due diligence at an organisational level and monitoring the Secretariat's performance.

The year began with the election of a new, highly skilled Global Council at PWYP's Global Assembly. From human rights law to strategic energy policy, data use to global advocacy, the range of skills and expertise among council members is striking, showcasing the knowledge and experience within PWYP's network. The 2019 election was especially significant, as the Global Council will oversee implementation of Vision 2025, our new, people-centred global strategy. Under its dynamic new Chair, the Council showed thought leadership and ambition as we prepared to start implementing the strategy in 2020.

Board preparations included overseeing the development of a three-year Operational Plan for the Secretariat, ensuring that it reflects priorities identified by members at our regional consultations, as well as recommendations from our external review of PWYP's 2016-2018 Business Plan. These included that future plans specify who among members, governance bodies and the Secretariat is responsible for delivering which outcomes. In response, we have clearly defined and communicated our

roles in implementing the strategy, including a visualisation of how we see change happen and how the Secretariat will contribute to ensuring that the movement achieves the goals set out in Vision 2025.

The plan outlines six complementary, closely interconnected functions for the Secretariat – to help PWYP members carry out impactful, evidence-based advocacy, develop strong partnerships and build an effective, inclusive and diverse movement. With this clear framework for the way forward, PWYP can best use our resources and maximise our influence.

The Board also ensured that PWYP's Operational Plan is well financed, with a robust budget based on strong donor contributions, and that the Secretariat is strengthened to deliver the plan and meet the ambitions of Vision 2025. During 2019, we oversaw the streamlining of the Secretariat's organisational structure and supported a comprehensive human-resources review to ensure that the Secretariat can fulfil its unique potential to add value to PWYP's work.

As our movement unites more closely under Vision 2025, the Board remains committed to providing a strong foundation for PWYP's future direction. Together with the Global Council, the Secretariat and our members, we will ensure that people and communities remain at the heart of PWYP's agenda for change.

Yours,

Carlo Merla

2019 in numbers

250

participants
from 50 countries
attended PWYP's
Global Assembly

We influenced
key revisions to

3

thematic priorities to
the EITI Standard

40+

CSOs were represented
at the Africa Mining
Vision conference
workshop

Around

60

PWYP member
organisations at the
OGP Summit
and...

150

at the
EITI Conference

7

regional meetings
took place on...

5

continents...

...with

210

participants

Our social media
followers increased by

10%

in one year

Our new website
had an average of

4,000

visitors per month

Our purpose and strategy

Publish What You Pay (PWYP) is a global movement of civil society organisations united in their call for an open and accountable extractive industry. We are a registered charity (Registered Charity Number 1170959). Our mission is to build a global movement of civil society organisations making oil, gas and mineral governance open, accountable, sustainable, equitable and responsive to all people.

PWYP's work in 2019 was guided by our Operational Plan for the year, which aimed to set the foundations for how the Secretariat will implement the four global goals of our Vision 2025 strategy. Vision 2025 opens an exciting new chapter for PWYP, with our movement uniting across 49 countries to push forward an ambitious agenda for reform of extractive-sector governance, starting with the public disclosure of contracts.

The four global goals of Vision 2025 set out how PWYP can best deliver an open, accountable, sustainable, equitable and responsive extractive sector that benefits everyone. The goals are:

To be informed, by defending and extending transparency and campaigning for new types of disclosure, for example on the environmental and social impacts of extraction.

To be influential, by putting transparency to work to inform and empower citizens and influence the actions of governments and companies.

To be heard, by increasing the participation of citizens in the governance of their natural resources and in decisions which affect them, particularly citizens from marginalised groups, such as women and indigenous communities.

To be connected, by making PWYP as strong and inclusive as possible, working through collective action and partnering with other movements and institutions around the world.

The Secretariat will work together with members on all four of these global goals, aiming for more impactful, evidence-based advocacy and a more effective, inclusive and diverse global movement. Six core functions will enable the Secretariat to best implement Vision 2025:

1. **Connected advocacy**
2. **Coordinated advocacy**
3. **Campaigning**
4. **Effective coalitions**
5. **Effective network**
6. **Effective partnerships**

These functions are embedded in the Secretariat's 2020-2022 Operational Plan, which was developed in close collaboration with members and was approved by the Board in December 2019. The next three years will see the Secretariat expanding the global network, forging new alliances and increasing the effectiveness of PWYP's advocacy. This will help ensure that information from the extractive sector, released into the public domain as the result of our campaigning over the last 17 years, is put to work to improve people's lives.

Our charitable objects

The objects of the Charity are to promote sustainable development for the benefit of the public (see page 53) by:

- the promotion of ethical standards of conduct and compliance with the law by governmental, industrial, voluntary and professional organisations in international and domestic initiatives relating to the extractive industry, such as the Extractive Industries Transparency Initiative (EITI)
- the prevention or relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities affected by the extraction and supply of natural resources
- the advancement of education and research into the extraction and supply of natural resources and their value chains, and the publishing and promotion of the useful results of such investigations and research to the public.

Sustainable development means "development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

This report sets out in detail our activities, which we have carried out in line with our charitable objectives. The Trustees are therefore confident that PWYP has complied with the duty in section 17 of the Charities Act 2011 to have due regard for public benefit in accordance with guidance published by the Charity Commission.

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the organisation's aims and objectives and in planning future activities.

PWYP carries out its charitable objects by:

- engaging with governments and companies through the multi-stakeholder EITI to develop an effective Standard good governance of oil, gas and mineral resources and to support civil society participation in the initiative
- promoting the use and analysis of data from the EITI and mandatory disclosure initiatives to support good governance in the extractive sector
- commissioning research into natural resource extraction and value chains, and promoting the useful results of such investigations and research to the wider public
- supporting civil society organisations, in particular those concerned with the promotion of human rights. ■

1

Influencing global frameworks



Key achievements



Successful advocacy strategies on civic space, gender and contract disclosure, ahead of the EITI Global Conference, driving crucial reforms to the EITI Standard.



Ongoing support for individual national coalitions to engage effectively in the EITI process, including Lebanon, Kyrgyzstan, Mongolia, Niger, Tunisia and Senegal.

From global to local: strengthening EITI implementation

During 2019, we increased and maximised our influence at all levels of the EITI, from global policymaking to subnational implementation, achieving key successes, from revision of the EITI Standard to increased community-level participation.

Through focused advocacy on three key priorities – civic space, gender and contract disclosure – we helped drive reforms of the EITI Standard adopted at the EITI Global Conference in Paris. These included making contract disclosure mandatory, committing to proactive promotion of gender equality and affirming the vital role of civic space in the initiative. In December, the EITI Board also initiated a review of the validation process. This includes how the Civil Society Protocol, which protects the full, active and effective participation in the EITI, is validated.

Before the conference, we developed collective advocacy strategies for the PWYP movement, distributing visually compelling summaries to our members, EITI stakeholders and conference delegates. Our demands included that the EITI Board initiate an independent, external review of EITI tools for assessing civil society participation at sign-up, validation and on an ad-hoc basis. The gender summary stressed why proposed revisions to the EITI Standard are so important after a gender-blind history, and we celebrated a proposed new EITI requirement for contract disclosure from January 2021, while also urging civil society to push countries and companies to close the gap between existing laws and practice.

Throughout the year, we worked hard to ensure that the new civil society EITI Board members brought fresh strategic leadership to the Board, to help take the EITI forward as it deepens its role of bringing transparency to the extractive sector. From helping PWYP coalitions in Cameroon and Congo prepare for



their 2019 EITI validation, to building capacity among Tunisia's civil society multi-stakeholder group representatives, we supported coalition members to engage effectively in EITI processes throughout the year – including through sharing resources and lessons from other countries. In Uganda, we supported CSOs in the selection process for their EITI multi-stakeholder group representatives. We helped PWYP Togo's participation in a field visit organised by the EITI Secretariat, to learn from the Senegalese validation process. We are supporting PWYP Gabon in its efforts to help secure the country's readmission to the EITI, and together with NRG, are supporting Lebanese CSOs to elect their national multi-stakeholder group representatives. We held capacity-building webinars for members on two key EITI issues – contract transparency and illicit financial flows in Africa.

As Mongolia transitions to mainstreaming EITI implementation, PWYP co-funded a six-month post of communications and fundraising manager, to support the coalition's campaign for adoption of an "EITI Law" on mandatory disclosure. Members of PWYP Kyrgyzstan took findings from their analysis of the country's EITI report to remote mining communities in five different regions, and engaged people in a dialogue on what information is most important to them. Members presented the findings at three press briefings in the capital, Bishkek, briefing numerous journalists about key issues in the country's 2019 EITI validation process. They also organised a competition for coverage of natural resource governance, resulting in 15 published articles and greater awareness of EITI implementation issues.

Leadership in key extractive fora across Africa

Why do mineral-rich countries often fail to secure a fair share of their natural resource wealth? We explored this question in "Finding the Missing Millions: Using extractive companies' revenue disclosures for tax justice" – a session we co-organised with PWYP South Africa and Zimbabwe, NRG and Global Witness at the 2019 Alternative Mining Indaba in February. This annual event brings together CSOs from across Africa to highlight key issues in the region's mining sector and explore solutions. Based on a [report by PWYP Canada](#), the session identified the common pathways to government revenue loss, helping civil society pinpoint mechanisms and policies to safeguard critical revenues.

PWYP's Africa Steering Committee identified the African Mining Vision (AMV) as a priority for its term of office, working with the Secretariat throughout the year to review PWYP's advocacy efforts for AMV governance reforms.

At the AMV 10th anniversary conference, co-organised by PWYP in Johannesburg, South Africa, PWYP members from DRC, Malawi, Nigeria, Zambia and Zimbabwe joined representatives from nearly 40 CSOs to discuss how civil society can strengthen implementation of this comprehensive, African-owned framework for mineral governance. Participants agreed to raise public awareness of the AMV and press governments to embrace its vision of transparent, equitable exploitation of the continent's mineral resources as a driver of sustainable development.

VISION 2025

“ [Vision 2025 means] ...fair resource management, working on different issues related to extractives, starting from the environment and what local communities are really concerned about, and finishing with how revenues are spent, and whether they are used for the benefit of the people or someone's pocket. ”

Olena Pavlenko,
PWYP Ukraine

The committee commissioned a review of members' research and advocacy work on advancing AMV implementation, to identify key policy asks for a collective pan-Africa advocacy agenda in line with Vision 2025. Advocacy themes included linking EITI implementation to the AMV and requiring governments to establish multi-stakeholder frameworks to supervise AMV implementation.

At the African Union's flagship African Forum on Mining in November, PWYP members issued a statement calling on governments to enshrine AMV principles in law. Members also urged CSOs to call for transparent and equitable management of mineral resources, and for mining communities to demand accountable management and use of extractive revenues. ■



Elisa Peter, Executive Director of PWYP, presenting the key aims and findings of our gender and EITI project at the EITI 2019 Conference.

Credit: PWYP

2

Shaping the agenda for global extractive governance

Key achievements



Successfully co-organising a session on accountable and gender-responsive natural resource governance at the OGP Global Summit, resulting in five model National Action Plan commitments on natural resource governance and gender.



International advocacy to protect the human rights and civic space of our members and allies.



From gender-blind to gender-responsive extractive sector governance

We celebrated a key success this year when our campaigning helped achieve revision of the EITI Standard to cover important gender provisions. These include the requirements that multi-stakeholder groups consider gender balance in their representation, and that extractive companies disclose employment data by company, gender and occupational level. Multi-stakeholder groups are also encouraged to address gender considerations in EITI data, and to document how they have improved gender equality and social inclusion. We are now working to ensure meaningful implementation of these provisions and their use by PWYP members.

During 2019, we drew widely on evidence from PWYP's pilot participatory **gender research** project to assess women's involvement in the EITI in West Africa. Published in May 2018, the report revealed that most actors fail to consider gender issues within EITI processes, and that women's rights groups rarely see their issues

considered. Across the year, we communicated the gender project findings to influence national EITI multi-stakeholder group work plans and raise awareness through national and international platforms, including the EITI and PWYP regional meetings. At national capacity-building and strategy workshops in Guinea, Burkina Faso and Senegal, we gathered civil society activists, including diverse women's organisations, and EITI stakeholders, and emphasised the need to increase stakeholders' understanding of how women and men are affected differently by extractive governance, and of what types of data could inform mitigation of those impacts.



PWYP members at one of the gender projects workshops.

Credit: PWYP



More than 100 participants from industry, academia, government, the media and civil society attended our session at the OGP Global Summit in Canada, “Open Government commitments for accountable and gender-responsive natural resource governance”. Co-organised with Oxfam America, EITI, NRGI and the Government of Canada, the session discussed barriers to women’s participation in extractive sector governance, and how to enhance their inclusion. Women directly affected by extraction shared experiences, and the session resulted in five model National Action Plan commitments on different aspects of natural resource governance and gender, ready for national contextualisation and adoption. Following the summit, we published a [blog](#) emphasising the need to learn from front-line women’s rights activists, invest in their expertise and develop international mechanisms for equality.



VISION 2025

“ To promote sustainable development, we need to ensure that women’s needs are placed at the heart of decision making processes of the extractive sector. ”

Marieme Mbacke,
PWYP Senegal

Participants at our session, “Open Government commitments for accountable and gender responsive natural resource governance” at the OGP Global Summit in Canada in May 2019.

Credit: PWYP



Women in Sanso village in Mali, the mining site where the Morila SA gold mine is located, rejoice after dissemination of the EITI report.

Credit: PWYP Mali

Raising civic space issues on the global agenda

Throughout the year, PWYP advocated on the international stage for the need to protect the civic space and human rights of our members and allies. We consolidated relationships with leading human rights organisations and provided expertise in country-specific situations such as Equatorial Guinea’s EITI candidacy and the Myanmar validation. The PWYP Secretariat also liaised with the UN Office of the High Commissioner for Human Rights. As a result,

the Special Rapporteurs wrote to national authorities about attacks on natural resource activists in Equatorial Guinea and DRC, and to the Togolese authorities on the detrimental impact a controversial bill on assembly could have on civic space. We co-organised two sessions at the UN Forum for Business and Human Rights in Geneva, to raise awareness of the challenges faced by natural resource activists. At the EITI Global Conference, PWYP co-organised a productive meeting with the private sector to discuss the protection of extractive sector activists. ■

3

Tailored responses at national level

Key achievements

- ✓ **National campaigns to ensure fair subnational sharing of extractive revenues.**
- ✓ **Launch of campaign for tax justice, based on countries in East and Southern Africa.**
- ✓ **Ongoing responses to secure civic space for members in individual countries.**



Communities and benefit sharing

We continued to carry out research and convene stakeholders on tax justice and benefit sharing mechanisms, to inform advocacy at national and international levels. Preparations began for a stakeholder meeting in 2020 to review the impact of benefit-sharing mechanisms and discuss PWYP coalitions' experiences in advocating for revenue-sharing schemes.

In Albania, members took part in a campaign for communities to receive the 5 per cent of government royalties from extraction which the country's tax law entitles them to. The campaign monitored resource allocation in five municipalities and coalition members took part in forums with local government, community, civil society and media representatives to advocate with officials for full transparency in royalty use.

PWYP Burkina Faso successfully campaigned for enforcement of the legal requirement for mining companies to pay 1 per cent of their gross revenues to communities affected by their operations. The coalition campaigned to ensure that the Local Development Support Funds established by law are benefiting local populations. In response, mining companies fulfilled their obligations, paying 1 per cent of revenues to local communities.

In September, we began a 15-month project to explore issues relating to tax justice, "Promoting Equitable Tax Transparency", implemented at national level with PWYP coalitions in Uganda, Tanzania and Mozambique, at regional level and globally. The project will raise awareness about the natural-resource deals governments are making, and whether these are fair. We will work with national and regional decision makers, driving reforms to make tax systems more transparent, and building community involvement, including among women, in decision making on revenue use.



PWYP Kyrgyzstan worked with the Responsible Mining Foundation to translate into the Kyrgyz language a tool for communities to assess the effects of mining operations. Based on a checklist covering issues such as the impact on soil and water quality, local employment and procurement opportunities, grievances and emergency preparedness, findings from the tool are being used as a basis for dialogue between companies and local people in five remote mining communities, to reduce tension between both parties and increase the benefits to local people from mining in their area.

VISION 2025

“The future for our communities, if we take a more people-centred approach, would be that mining would not just be extraction... but also a sector that is building up communities, developing them.”

Gloria Cuthbert Majiga,
PWYP Malawi

Visit to a mining site in Kyrgyzstan.

Credit: PWYP



Securing civic space for our members

During 2019, the Secretariat continued to secure civic space in individual countries and to help members from other coalitions support each other. In Niger, we helped build capacity on physical and digital security, and human rights, making a successful application to the University of York for PWYP Board member and Niger national coordinator, Ali Idrissa, for a protective fellowship for human rights defenders. Our formal complaint to ECOWAS against the arrest of activist **Sadat Illiya Dan Malam** helped secure his release in November. We also supported PWYP members **Alfredo Okenve** in Equatorial Guinea and **Jean-Claude Katende in the DRC**, both subjected to death threats and attacks for their work, developing successful plans to help secure their safety. ■

VISION 2025

“What we want is to continue empowering communities in how they can be part of government decision-making bodies and how they can be heard, and how there can be solutions for their problems.”

Anj Dacanay,
Bantay Kita-PWYP Philippines

Ali Idrissa released after four months in detention for protesting against a new finance law in Niger in 2018.

Credit: ROTAB / PWYP Niger



4

Promoting data use for evidence-based change



Key achievements



Successful access to information request to the European Commission, to inform advocacy for crucial improvements to the EU Accounting and Transparency Directives.



Strengthening of data-use capacities across PWYP worldwide, including through training workshops and the publication of three Data Extractors case studies.

In May, we succeeded in a ground-breaking access to information request to the European Commission (EC), asking for the release of **66 additional responses** to the Commission's **public consultation** on company reporting under the European Union (EU) Accounting and Transparency Directives and other legislation. The Directives include a requirement for extractive companies listed in the EU to disclose their revenue payments to governments around the world. During 2018-19, this legislation came under review, offering an important opportunity to strengthen it. Contrary to the EC's report on its public consultation, **PWYP's analysis** of the published responses found that most private-sector stakeholders expressed positive views on the law. In January 2019, we filed our access to information request, which was initially rejected, but after a lengthy appeal process, the remaining responses were released. To our knowledge, this is an unprecedented test

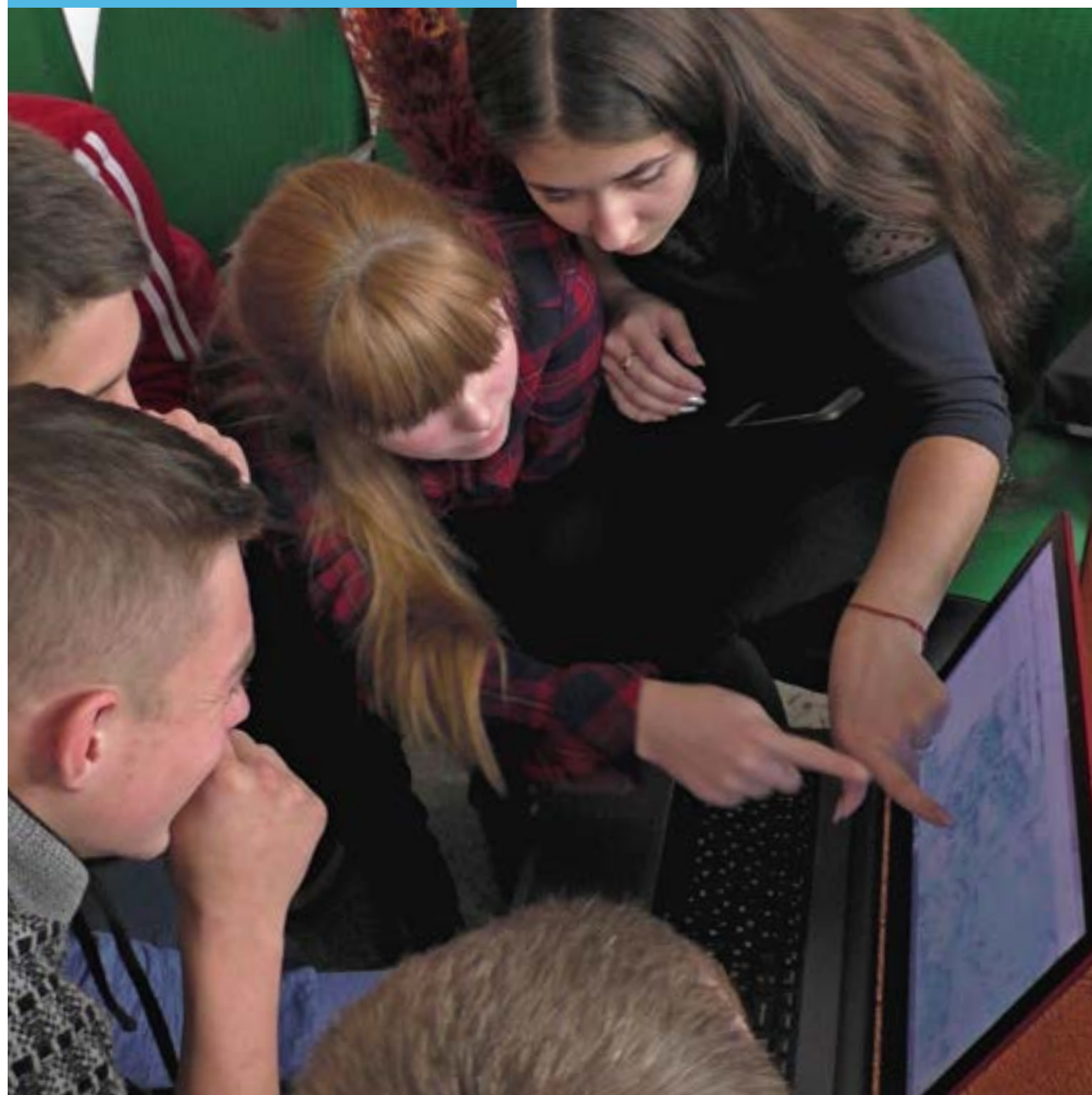
of the EC's access to information process, and the first such victory for transparency. The previously unreleased responses confirmed that a majority of stakeholders see significant benefits in EU reporting requirements. In June 2019, leading extractive companies joined PWYP in **calling on the EC** to increase access to the information provided by companies under the Directives and to improve the clarity and consistency of reporting requirements. As the review concludes, we continue to advocate with the EU to **strengthen existing legislation**.

From scrutiny of **commodity trading in the Republic of the Congo**, to analysing **media coverage of extractive tax payments in Canada** and **measuring the openness of Australian-listed extractive companies in Africa**, PWYP published three more case studies from our **Data Extractors pilot programme**. Through face-to-face workshops and remote mentoring,



On a map of the village Velikie Sorochinci of Mirgoron district of Poltava region in Ukraine, citizens are adding the problems that need to be solved first.

Credit: Ganna Kiyashchenko. PWYP Ukraine



the two-year programme (2016-2018) developed the capacity of 23 participants from PWYP members worldwide to access, analyse and use mandatory disclosure and other data in their campaigns. The programme has published 13 case studies, highlighting key issues in extractive sector governance and underpinning future evidence-based advocacy. To reinforce our influencing power as a network, we also held well-received data training workshops at the PWYP Global Assembly, with our partners from the School of Data, and at our Eurasia and Asia Pacific regional meetings, with NRG.

PWYP UK worked with Policy Alert, a PWYP Nigeria member, to launch the #WetinWeGain campaign (a Nigerian pidgin expression meaning "What's in it for us?"). The campaign promotes greater disclosure of extractive transactions and seeks to empower communities in the Niger Delta with information so they can ask the right questions about extraction and demand a fair share of the benefits. The campaign is making data on the extractive industries more widely accessible and better understood, with infographics published online and via social media comparing what companies report they paid with what the government says it received.

PWYP members in Brazil and Kazakhstan also partnered with PWYP UK to promote accountability by analysing UK and EU extractive companies' payments data. The projects ask host governments to account for reported payments and companies to clarify reporting anomalies. They also engage civil society and communities to discuss the wider costs and benefits of extraction. ■

VISION 2025

“ First, we’re using data to mobilise people for change. Second, we’re raising awareness among communities to improve people’s lives, and also improving and increasing capacity by using data. ”

Maryati Abdullah,
PWYP Indonesia



PWYP Indonesia, together with the Secretariat of Open Government Indonesia, held a public discussion on the implementation of the “One Data Policy” which encourages open government practices. Dr. Ir. Taufik Hanafi, MUP, deputy of the Monitoring, Evaluation and Development of The Ministry of National Development Planning/Bappenas and Maryati Abdullah, National Coordinator of PWYP Indonesia are pictured.

Credit: PWYP Indonesia

1

Institutional growth and resilience



Key achievements

- ✓ **Successful PWYP Global Assembly in Senegal, bringing together 250 members and partners to exchange ideas, discuss key issues, build relationships and adopt Vision 2025, the new PWYP global strategy for 2020-2025, with four goals: to make PWYP more Informed, Influential, Heard and Connected.**
- ✓ **Constructive regional meetings to identify priorities for the Vision 2025 Operational Plan.**
- ✓ **Development of the Vision 2025 Operational Plan for the Secretariat in 2020-2022, and communications to ensure staff and members are well equipped to implement it.**
- ✓ **Expansion of our movement in Eurasia with a new coalition in Kosovo.**
- ✓ **Development of a strategic framework on civic space, under the Operational Plan for Vision 2025, outlining measures for prevention of closing civic space, protection of CSOs and activists facing threats, and advocacy to fulfil the rights of natural resource activists.**



PWYP members at the PWYP East and Southern Africa Regional meeting in Entebbe, Uganda, in August 2019.

Credit: PWYP



Mapping our way: the 2019 Global Assembly and Vision 2025

In 2019, PWYP members across the world repeatedly expressed their desire to be better connected – one of the four global goals of Vision 2025 – so that we can campaign together on common themes, share experience and learning, and support each other during crises. In January, PWYP members and partners from 50 countries came together at our 2019 Global Assembly in Dakar, Senegal, to share experiences, learn from each other and

adopt the new PWYP global strategy, Vision 2025. We forged deeper relationships and developed our collective agenda for action and impact for the next five years.

From power analysis, data use and leveraging the EITI, to safeguarding the environment, promoting gender equality and protecting activists, the three-day Global Assembly explored leading issues in extractive

governance. After exploring the four goals of Vision 2025 – to make our global movement better informed, more influential, widely heard and well connected – and how best to achieve them, participants formally adopted the strategy. Feedback from over 100 participants showed overall satisfaction with the Global Assembly as very high, with the most useful elements being capacity-building sessions, the opportunity to share experiences, the focus on gender and the adoption of Vision 2025.

VISION 2025

“ When you can’t connect, you can’t be heard. When you don’t connect, you can’t be informed. When you don’t connect, you can’t influence. So ultimately, to connect is very important. ”

Erisa Danladi,
PWYP Nigeria and
PWYP Africa Steering Committee

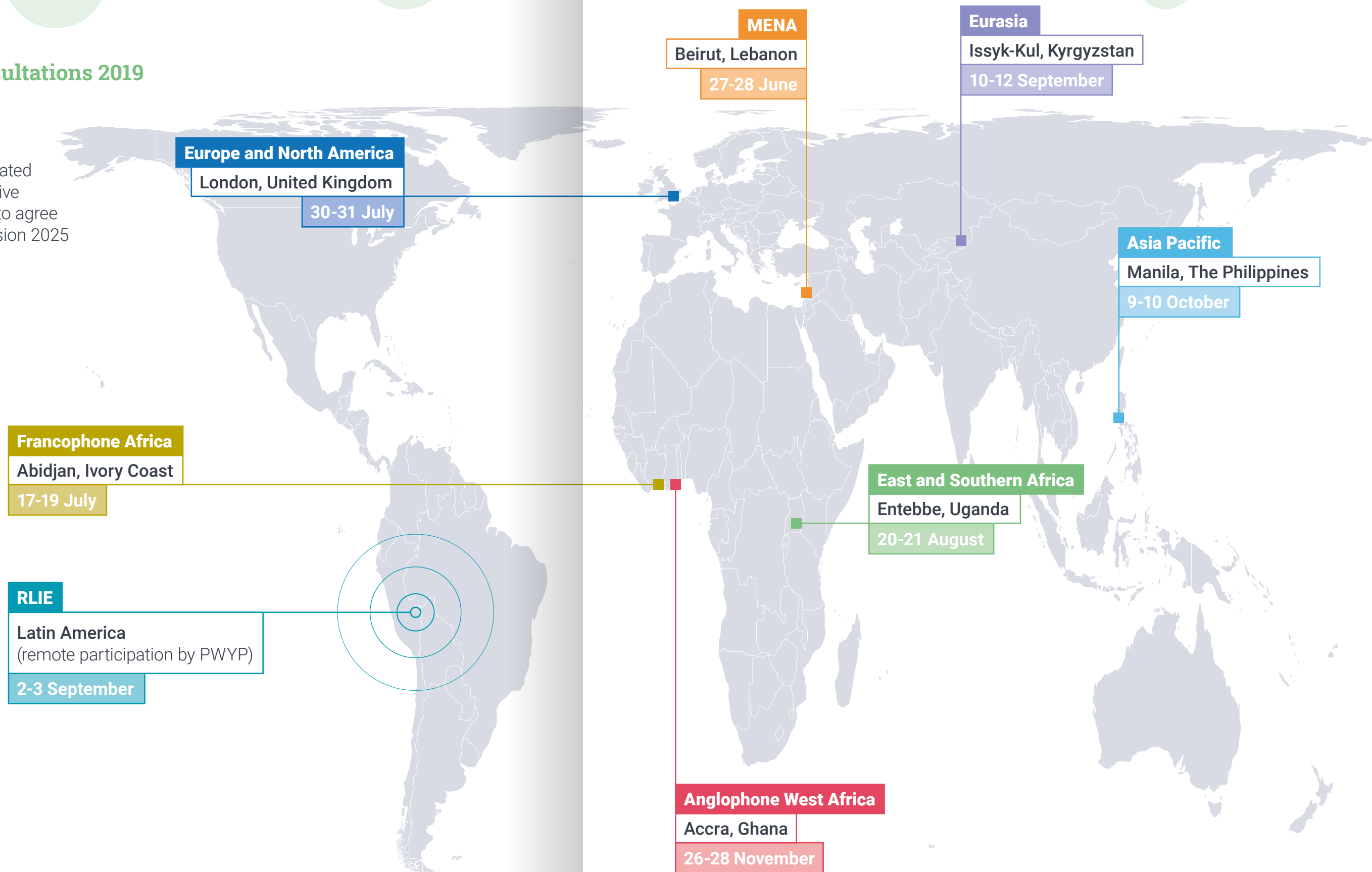


Delegates formally endorse Vision 2025 with obvious enthusiasm and joy at the end of the Global Assembly held in Dakar, Senegal in 2019.

Credit: PWYP

Regional consultations 2019

Between June and November 2019, we held, or participated in, highly constructive regional meetings to agree priorities for the Vision 2025 operational plan.



Across the network, participants discussed extensively the degree to which civic space should be a priority for the PWYP movement. Based on feedback from all regions, the Secretariat is prioritising support on civic space, on the shared understanding with our members that it is a pre-requisite for us to advance our goals in the coming five years.

The meetings identified key areas of focus:

Asia Pacific

Manila, the Philippines

- **Subnational revenue sharing** – ensuring affected communities receive more financial and social benefits, and are informed so they can influence decisions that affect them.
- **Civic space and human rights** – empowering civil society to take part in national policymaking and to promote discussion of issues in regional bodies.
- **Citizen and community participation, including gender** – increasing community engagement in fighting corruption and promoting anti-corruption measures on national and regional policy agendas.
- **Revenue transparency, beneficial ownership and tax justice** – promoting national legislation on revenue transparency and project-level reporting, including by multi-national companies.

MENA

Beirut, Lebanon

- **Environmental and social impact** – including Free, Prior and Informed Consent from communities affected by extraction.
- **Revenue transparency, beneficial ownership and tax justice** – advocating for laws that enforce sharing all contracts, including beneficial ownership data.
- **Data use** – updating existing data and obtaining more detailed data, including new information, such as environmental payment disclosures.
- **Network strengthening** – expanding and diversifying coalitions and building their capacities.

Francophone Africa

Abidjan, Ivory Coast

- **Civic space and human rights** – working to protect members' fundamental freedoms and build widespread support to mitigate the risks they face.
- **Environmental and social impact** – assessing the hidden socio-environmental costs of extraction, to inform evidence-based advocacy.
- **Revenue transparency, beneficial ownership and tax justice** – addressing fiscal corruption and ensuring communities receive their fair share of tax revenues from extraction.

East and Southern Africa

Entebbe, Uganda

- **Environmental and social impact** – strengthening PWYP coordination and networking for stronger advocacy in regional fora.
- **Citizen and community participation, including gender** – improving use of mining revenues at different levels for better development outcomes.
- **Revenue transparency, beneficial ownership and tax justice** – including mandatory disclosure, beneficial ownership and contract transparency.

Europe and North America

London, United Kingdom

- **Revenue transparency, beneficial ownership and tax justice** – defending and extending transparency, including mandatory disclosure of payments to governments, beneficial ownership and contracts.
- **Data use** – addressing issues such as climate change and a just energy transition, tax and civic space, including through “data partnerships” with allies worldwide to use data in local campaigns.
- **Network strengthening** – providing support across the PWYP network, including leveraging resources in the North for capacity building.

PWYP Regional Meeting in Uganda, August 2019.

Credit: PWYP



Anglophone West Africa

Accra, Ghana

- **Civic space and human rights** – protecting and expanding people’s right to take part in decision making.
- **Environmental and social impact** – publicising the hidden environmental costs of extraction.
- **Citizen and community participation, including gender** – ensuring participation of women and minorities in extractive-sector decision making, as a cross-cutting issue.
- **Revenue transparency, beneficial ownership and tax justice** – strengthening fiscal governance and anti-corruption measures, to reduce poverty and inequality.
- **Revenue transparency, beneficial ownership and tax justice** – shining a light on extractive companies’ ownership structures to prevent tax avoidance and corruption.

Eurasia

Issyk-Kul, Kyrgyzstan

- **Environmental and social impact** – developing a single methodology to calculate the financial costs and compensation needed for damage caused by extraction.
- **Citizen and community participation, including gender** – increasing disclosure of relevant information, improving skills and knowledge.
- **Revenue transparency, beneficial ownership and tax justice** – promoting transparency to improve public oversight of revenue use from extraction.
- **Network strengthening** – increasing PWYP coalitions in the region and reaching out to Balkan countries.

RLIE

Latin America

(remote participation by PWYP)

- **Subnational revenue sharing** – developing mechanisms to ensure communities affected by extraction receive fair benefits from their resources.
- **Civic space and human rights** – monitoring and speaking out with a united voice to defend civil society’s right and ability to contribute to extractive-sector decision making.
- **Citizen and community participation, including gender** – helping women speak out and be heard in extractive sector governance at all levels.

Development of our first strategic framework on civic space

During 2019, it became evident that if PWYP is to deliver Vision 2025, we need a long-term strategic response to securing civic space. At regional consultations held to inform the development of our Operational Plan, 35 out of 49 PWYP national coalitions identified civic space as a key priority. Our online survey of members’ experiences of civic space brought responses from 34 members worldwide, detailing human rights abuses and closing civic space. Respondents emphasised the need to advocate systematically against human rights abuses faced by activists and communities affected by extraction. They requested training in advocacy and protection tools, as well as alliances, solidarity and financial support in times of crisis. The PWYP Secretariat also learned more through in-depth profiling of two “high risk” countries, Niger and the Republic of the Congo.

“Our Space, Our Right” – delegates at the EITI Conference 2019 making their voices heard about the Board’s decision to validate Myanmar despite its civic space issues.

Credit: PWYP



In response, under the Operational Plan for Vision 2025, we developed a strategic framework to align the PWYP network around a proactive three-pronged approach:

- **Prevention** of human rights abuses and closing civic space around extraction, by ensuring coalitions are better informed about their rights and mechanisms for safeguarding them.
- **Protection** of CSOs and activists in our sector facing threats or abuse, using rapidly activated tools and internal guidelines for intervention and a coordinated emergency response.
- **Advocacy** to fulfil the needs and rights of people working for natural resource governance, coordinating members to reinforce our voice globally and build better international norms to protect natural resource activists.

As the only global civil society network campaigning for transparency in the extractive sector, PWYP is in a unique position to tackle these issues. Doing so will strengthen PWYP, both as a network and in terms of our impact worldwide. ■

2

Expansion and consolidation of the PWYP movement



Key achievements

- ✓ Election of a new PWYP Global Council at the Global Assembly, with Chenai Mukumba from Zambia as Chairwoman.
- ✓ Strengthening the Secretariat through learning from our 2016-2018 Business Plan evaluation, so we can best implement Vision 2025.
- ✓ Growing our Secretariat's core team, developing new roles and hiring specialist consultants to lead on our EITI and civic space work.
- ✓ Doubling our online visitors through the launch of our new website, strengthening our information-sharing and communication roles.

A multi-skilled Global Council

The Chair of PWYP's dynamic new Global Council is Chenai Mukumba, who brings extensive experience from her roles as Vice Chair of PWYP Zambia, Country Coordinator of the Consumer Unity and Trust Society International, and on technical committees in Zambian ministries. The Global Council was elected at the Global Assembly, where regional caucuses each chose a representative and

all participants chose two candidates from organisations with global reach. During 2019, council members shaped their collective ambition for their three-year term, discussing how to lead achievement of the four goals in Vision 2025. The Global Council will support the Secretariat in coordinating members in themed advocacy initiatives, and will lead our learning, including commissioning an evaluation of the first phase (2020-2022) of the strategy and integrating lessons into our work to maximise our impact.



The new PWYP Global Council elected at the PWYP Global Assembly in January 2019 in Dakar.

Credit: PWYP



Learning from our Business Plan evaluation

As a movement, we continued to assess and refine the PWYP's Secretariat role throughout 2019, so it can best support members worldwide to deliver our Vision 2025 global strategy. We gained important insight from an external evaluation of the Secretariat's progress against PWYP's 2016-2018 Business Plan, which found that the Secretariat made significant progress across the plan and responded effectively to crises, including in network governance and closing civic space. It successfully developed the new 2020-2025 strategy and devoted much capacity to consolidating network structures, organisational capacity, governance and impact. However, this work absorbed at least 50 per cent of the Secretariat's resources, which was not anticipated in the Business Plan, squeezing resources available for other pillars, such as Mandatory Disclosures, EITI and Data Use. The review concluded that the plan did not reflect the pressure the Secretariat faced to meet different stakeholders' expectations. It recommends that future plans detail who among members, governance bodies and the Secretariat is responsible for delivering which outcomes – learning reflected in the Operational Plan for Vision 2025.

Streamlining our team to deliver Vision 2025

During 2019, we reviewed our organisational structure to enable us to deliver Vision 2025, recruiting staff to several key roles. An attempt to establish a department of Advocacy and Learning showed us that our impact and campaign-focused work requires a very different skillset from our monitoring, evaluation and learning work. As a result, communications and campaigns will be more closely aligned in the new Secretariat structure, with the Member Engagement department leading on advocacy at regional level and on learning across the organisation.

Throughout 2019 we prioritised human resources for EITI-related work, in particular, for support to the civil society international Board members. A specialist adviser was also recruited to lead and coordinate our work on civic space. Continuing the process of strengthening our finance systems, including sub-granting to members and reporting to our increasing number of donors, we recruited a new Finance Manager and a project officer for the Finnish government project on tax transparency in Africa. We also welcomed a new Regional Coordinator for Central Africa.



New website and inspiring communications materials

PWYP's new website, launched in French and English in January 2019, achieved a near 100 per cent increase in traffic compared with our previous site. With an average of 4,000 users per month during 2019 – almost double the 2,100 monthly visitors to our website in 2018 – the visually engaging site uses clear, accessible language and strong imagery to provide a hub of information, tools and community for all stakeholders in extractive sector governance. Users can dig down to reach different levels of detail on all our areas of work, browse a resource centre packed with tools and research, and read news, blogs and member profiles. A dedicated section explores the Vision 2025 goals and outcomes. With the Russian version launched in October and the Spanish version due for completion in 2020, footfall to the site looks set to increase further in the coming months.

Demonstrating clear accountability for our decisions, priorities and activities, we produced and widely distributed two versions of our 2018 Annual Report: a core activity report for donors and a version for wider audiences. The report is a key transparency tool for PWYP in our relationships with donors, the international community, members, partners and allies, and the media. We also produced compelling communications materials on the strategy and recorded video interviews with 45 members at key events to hear their priority issues, ideas for solutions, PWYP's role and what the Vision 2025 strategy means to them. By posting clips on social media, we put faces to the PWYP movement and helped members to be heard on a global platform. ■

Members discussing key priorities under the PWYP Vision 2025 goals.

Credit: PWYP



Part 6

What we learned in 2019



Throughout 2019, we drew key lessons to strengthen our movement and impact:

- ✓ The evaluation of our 2016-2018 Business Plan, showed that having focused successfully on “network health”, the Secretariat should now shift its focus to **“network impact”** in order to ensure that the PWYP movement is effective in driving our agenda for change. In 2020, the Secretariat will identify opportunities for regional and global advocacy, recruit a strategic communications and campaigns manager, and pilot a global campaign.
- ✓ The evaluation specified that the best use of the Secretariat’s resources is to **coordinate technical expertise**, rather than to replicate expertise that already exists in the network.
- ✓ The Secretariat should also **strengthen its work in sharing stories** of challenge and impact across multiple contexts, in order to support collective understanding and learning about how change happens.
- ✓ The review showed that we need **more clarity on the role of the Secretariat** and its unique potential to add value to increase our efficiency and influence. In response, the Secretariat’s Operational Plan for 2020-2022 outlines its specific contributions to implementing Vision 2025.
- ✓ From our experiences and scoping, we realised that in order to deliver Vision 2025, we need to consolidate our approach to **safeguarding members’ human rights and civic space**. As a result, the PWYP Secretariat has developed a three-pronged strategic framework on civic space, based around prevention, protection and advocacy.
- ✓ Reflection on our efforts to support mandatory payment disclosure in Brazil, Russia, India, China and South Africa (BRICS) markets revealed that **domestic demand was not sufficiently advanced** for the Secretariat’s resources to catalyse progress.



- ✓ 2019 showed that we need to build into our programmes additional resources for **project management and monitoring, evaluation and learning (MEL)**. Many PWYP members are grass-roots NGOs with close connections to communities affected by extractives. They need extra support in project-management skills, including MEL, baseline data collection and analysis, and stakeholder mapping for advocacy. In 2020, the Secretariat will recruit a dedicated MEL expert.
- ✓ We need to be **adaptable in our advocacy** and ready to take up unexpected opportunities, such as the chance to influence the EITI Standard. The working group established in 2018 on gender justice and extractives enabled us to coordinate quickly with members to align our messaging. We also need to articulate clearer approaches to our advocacy work, ensure that it reflects members’ voices and strengthen our capacity to implement our goals.
- ✓ A review of roles in the Secretariat showed that our impact and campaign-focused work requires a very different skillset from our monitoring, evaluation and learning work. As a result, we are **aligning communications and campaigns more closely**, with the Member Engagement department leading on advocacy at regional level and learning across the organisation.
- ✓ Regional consultations and the Business Plan review showed we need to **strengthen coordination across the regions around common challenges and opportunities**. In 2019, members expressed interest in hearing and learning more from other regions on specific issues, such as gender work and the social-environmental impact of extraction. This feedback will inform mechanisms the Secretariat develops to support member engagement at regional level, including thematic working groups. ■



Financial accounts

for the period ended
31 December 2019

Part 7

Financial review

Overview

PWYP's total income in 2019 was £2,622,181, which was all in the form of grants except for £656 of bank deposit interest. Of this income, £1,634,248 (62 per cent) was unrestricted, while the remaining £987,933 was restricted.

In addition to this income, we had an opening balance of £994,865 from grants received in previous years: £724,865 to be used for activities in 2019 and £270,000 of reserves. Of this balance, £682,091 was unrestricted and £312,774 was restricted. This brought the total funds available to be used in 2019 to £3,617,046.

The unrestricted income included grants from the Open Society Foundations of £697,026, from Luminate of £291,210, Danida of £205,677, The William and Flora Hewlett Foundation of £339,679 and the Sigrid Rausing Trust of £100,000 to cover core running costs.

All the restricted income was received for specific projects.

Our expenditure for the year totalled £2,745,136, of which £1,644,089 was unrestricted funds and £1,101,053 was restricted (project) funds.

Total funds carried forward at the end of the year were £871,910. Of this, £639,081 are unrestricted, available for use in pursuit of PWYP's charitable objectives. The remaining amount of £232,829 has donor restrictions and will be used for specific projects and activities agreed with those donors.

Going concern

With unrestricted funds at 31 December 2019 of £639,081, and net current assets of £856,910, the Trustees consider that PWYP has sufficient resources and liquidity to continue for the foreseeable future and maintain a sufficient flow of funds to be spent fulfilling our charitable objectives.

Reserves policy

The Board of Trustees has adopted an operating reserve policy in order to ensure the stability of the mission, programmes, employment and ongoing operations of PWYP.

The operating reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, an unanticipated reduction in funding, or uninsured losses. The reserve may also be used for one-off, non-recurring expenses that will build long-term capacity. It is not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. The intention of the Trustees is that the operating reserve, if used, should be replenished within 12 months.

The policy requires a target minimum of three months' average operating costs to be held as an operating reserve, and that this reserve be held in cash or cash-equivalent funds.

As at 31 December 2019, after transfers, the reserve was £330,000. In 2019, it was expected that operating costs for three months, based on the 2020 budget, would amount to an estimated £330,000. The Board agreed a budget to ensure that reserves increase each year, with the intention of building reserves as the Charity grows.

Funding strategy

We established a funding strategy in 2017 to enable PWYP to balance the need for sustainable income sources with the risks of relying on a few large donors who are a similar type of funding entity.

PWYP now has five core donors and we believe this to be a good balance of support, representing 62 per cent of our income in 2019.

The Board continues to review our income sources with a view to achieving the donor diversity outlined in the funding strategy.

Joint fundraising policy

We continue to regrant funds to members via our joint fundraising policy, which provides clarity and transparency to members on how funds are mobilised and redistributed by the Secretariat, and under what circumstances. As we continue to consolidate our position as a major civil society actor in natural resource governance, we are committed to helping our members access technical and financial support for their work.

We will undertake a full review of our joint fundraising and regranting policy in 2020.

Fundraising

All funds raised by PWYP are raised by existing staff. To date, most fundraising and donor-relations management has been undertaken by the Executive Director and the Director of Member Engagement. We do not use professional fundraisers. All income received in the period was in the form of grants. The Charity is not required to report its fundraising activities. Funds are raised in line with the principles and goals of the funding strategy

and the joint fundraising policy (see above), from existing grant-giving entities such as foundations, other charities and bilateral agencies. Grants are secured through a process of submitting grant proposals.

In 2019 PWYP developed a detailed development plan outlining the expected fundraising needs of the charity and recommendations to achieve the targets set. This included the creation of the role of fundraising Manager at the Secretariat. This new post was filled in April 2020.

A full list of funds is given on pages 72-75. ■

Part 8

Looking forward to 2020

As we start to implement the Operational Plan for Vision 2025, the Secretariat's focus will be on enabling PWYP to be more influential and better connected, through six key priorities:

- 1 Connected advocacy**
 The Secretariat will provide platforms for PWYP members to share knowledge and learning from their advocacy on regional thematic priorities. We will build members' capacity to create case studies or impact stories showing how their advocacy has led to reform.
- 2 Coordinated advocacy**
 The Secretariat will support advocacy across borders on thematic areas identified by members as regional or global priorities. During 2020, we will test our global strategic framework on protecting civic space, and will work to ensure that EITI validations reflect concerns about civic space and gender.
- 3 Campaigning**
 Building on the success of PWYP's 15-year campaign for disclosure of companies' payments to governments, the Secretariat will work with PWYP members to push during 2020 for implementation of the requirement in the 2019 EITI Standard for extractive contracts to be published.
- 4 Effective coalitions**
 The Secretariat will work with national coalitions to increase their inclusiveness of marginalised groups, the diversity of their member organisations, their technical and strategic skills, and their resilience to threats against civic space.
- 5 Effective network**
 The Secretariat will support network leaders – in particular, the Global Council and the Africa Steering Committee (ASC), and civil society EITI board members – to amplify PWYP members' collective voice and project a strong, coherent PWYP.
- 6 Effective partnerships**
 During 2020, the Secretariat will work to strengthen PWYP's strategic relationships with existing partners, and actively reach out to new allies, particularly those working on women's rights, tax justice, environmental justice and human rights. ■

Covid-19 Pandemic

The Covid-19 pandemic is impacting the world's social, economic and political fabric. It presents the PWYP Secretariat and our members with a number of short-term challenges, risks and – potentially – opportunities, and is also likely to have long-term implications for our strategy, funding and ways of working.

Early in the pandemic, Secretariat staff contacted PWYP members to understand its immediate impact, what opportunities it presents and what support members need. At the time of writing, the Secretariat is taking the following steps:

- Establishing a working group to help staff adapt and access relevant resources, and to develop and share strategies for managing the impact of the crisis on a range of issues, from mental health to home working.
- Undertaking a crisis-management review of our strategy, operations, financial management, programme delivery, communications and fundraising.
- Sharing resources on civic space via PWYP's email lists.

- Holding virtual conversations with members across the movement about the impact of the crisis in order to identify the best type of support, which the Secretariat can provide.
 - Creating a page on our website with resources and position statements of PWYP members in relation to the crisis.
 - Reviewing the 2020 work plan and budget with all staff.
 - Maintaining close contact with donors to discuss required changes to projects and confirm our long-term funding in light of Covid-19.
 - Holding monthly meetings with the PWYP Global Council to agree strategic priorities for the coming months.
 - Suspending all Secretariat travel until September 2020 at the earliest.
- We will continue to review the implications of the pandemic for our work and that of our members, and to adapt so we can maximise PWYP's effectiveness during and beyond the crisis. ■

Part 9

Risks and uncertainties

Our programmes continue to take place within challenging external political, financial and economic trends. We see a decline in the respect for human rights across our global network, with civic space and fundamental freedoms being threatened on a daily basis.

The risks for those working on the ground are significant. Most recently in 2020 the worldwide pandemic of C-19 has dramatically changed the way all stakeholders can work. We have had to find different ways to work, including greater reliance on digital methods of communication which poses its own risks.

It is against this backdrop that the Board of Trustees takes an active role in the management of risks faced by PWYP as we seek to deliver on our mission and vision in the complicated and volatile environment in which we work.

Our risk register is developed by PWYP staff and the Board of Trustees, and is reviewed and re-assessed at each meeting of the Trustees.

We pay attention to risks in the following categories:

- **Governance**
- **Operational**
- **Financial**
- **External/environmental**
- **Compliance.**

Throughout 2019, the Trustees monitored the key risks that, without effective mitigation and control, were likely to have had a significant impact on our work, our reputation or our ability to achieve our objectives. The nature of our work means that despite our efforts to

mitigate against them, some risks inevitably remain high. As such, we see the same types of risks showing as significant each year. In early 2020 the Board of trustees held a meeting to discuss primarily the impact and risks associated with Covid-19. The risks register was updated to include specific Covid-19 related risks and mitigating actions being taken by the Secretariat.

The Trustees agreed that the predominant risks are:

Staff safety

This risk was also noted in every annual report and continues to remain high. Our staff sometimes have to travel to conflict regions or countries with a hostile attitude to PWYP's work.

In response, we have developed policies on staff travel, including the need to follow the advice provided by the UK Foreign and Commonwealth Office. We continue to work with our insurers to make sure that our insurance policies are fit for purpose and can meet our needs.

We are aware that the staff safety situation continues to evolve and presents an ongoing risk. We liaise with our networks regularly so we understand the situation on the ground, and we impress on staff that their safety is of utmost importance. If we deem the risk to staff too great, we will pull out of trips. We recognise that the increasing threats to PWYP members over the year may correlate to increased risk for our staff.

At the time of writing, PWYP has ceased all travel and all staff are working from their home

as a result of the Covid-19 pandemic. These travel restrictions will remain in place for all work travel until we deem it safe for staff and other stakeholders to travel on PWYP business.

We also recognise the psychosocial impact that the pandemic has on the small team of staff at the Secretariat. We have in place measures to support the team through this process, including to ensure that they have access to our Employee Assistance Plan which includes provision for mental health support, additional leave allowances, coaching support to allow the SMT and managers to adapt and lead in this difficult time as well as regular meetings with all staff.

Fraud or error

The Board of Trustees has reviewed and authorised comprehensive financial policies and procedures in order to mitigate against fraud or error.

While these risks can never be eliminated, the Trustees are confident that our systems are robust and that they minimise the potential for fraud or error. We have a highly skilled senior management team to manage PWYP on a day-to-day basis. As an organisation operating across multiple countries, we recognise the need to exercise comprehensive due diligence to ensure that the risk of fraud or error is minimised. With these controls in place, we believe the internal risk of fraud and error is reduced.

PWYP provides subgrants to PWYP members where funds are available. Grant funds are usually structured in instalments, and grantees must report on the use of these funds appropriately before further funds are released.

In this way, the financial impact of a potential fraud or error is greatly reduced. PWYP's joint fundraising and re-granting policy outlines the due diligence required for sub-granting. Due diligence is undertaken by both the programmatic and the Finance and Operations teams.

PWYP will also undertake a full review of its due diligence processes in 2020 as we develop our end-to-end subgrants management system.

We recognize that the risk of digital security and associated risks is an increasing threat. We have engaged support from a specialised consultancy to look at our risks with a view to implementing a plan to strengthen our systems which is being rolled out in 2020.

Increased joint fundraising and grant-making

The increase in our joint fundraising and grant-making is in part linked to the above risks. We have seen an increase in re-granting during the life of PWYP, and while we are keen that members are supported, the Secretariat was not established as a grant-making body. There are therefore inherent risks in this increase. As noted above, we have started to build the Secretariat's capacity to manage subgrants (this includes managing the risk of fraud). We ensure that PWYP systems meet all legal requirements, including anti-terrorism, anti-money laundering and donor laws, such as the US Foreign Corrupt Practices Act.

The ease with which we can raise funds varies according to region, with some countries notoriously hard to raise funds for. There is a need to ensure that all these factors are taken

into account when allocating resources to each region.

Alongside the review of the due diligence review processes, PWYP will also undertake a full review of its joint fundraising and regranting policy in 2020.

Changes in government policies at local, national and international levels

We recognise that changes in policy may adversely affect PWYP's funding sources, our ability to continue our core work.

We manage these risks by monitoring proposed legal and regulatory changes, and nominating key Board and Senior Management Team members to assess their potential impact on PWYP's work. ■

Publish What You Pay (PWYP) is a charity registered in England and Wales (charity number 1170959) and a company registered in England and limited by guarantee (registration number 9533183). Our objects and powers are set out in our Memorandum and Articles of Association.

Governance structure

PWYP is a global coalition of national coalitions and member organisations, supported by a small Secretariat. This report refers to the governance of the PWYP International Secretariat and the global coalition. National coalitions have their own governance structures and are autonomous, but are required to adhere to the [PWYP Operating Principles](#), a set of 10 principles which encapsulate the highest values and standards of transparency and good governance.

Board of Trustees

The PWYP Board is comprised of up to nine Trustees, including both PWYP members and individuals who are not members of PWYP but who bring specific skills and experience. In close coordination with the PWYP Global Council, the Board is able to appoint co-opted Trustees on the basis of the skills that they bring. The Trustees take primary responsibility for ensuring that the objectives and interests of PWYP, as a registered charity, are protected and advanced. Trustees govern PWYP in the interests of the members globally and collectively, and will normally accept recommendations on strategy and policy

from the Global Council, unless there are good reasons of legal or financial probity for not doing so. The Trustees appoint and ensure the effectiveness of the Executive Director.

Details of the PWYP Trustees can be found on the [PWYP website](#), and their responsibilities are set out in the Terms of Reference and Role Descriptions in the [Governance Manual](#).

The Board meets for one to two days, a minimum of three times a year.

All Trustees give their time freely and receive no remuneration for their service. New Trustees are inducted to the Board by the Executive Director, Director of Finance and Operations, Director of Member Engagement and the Chair of the Board, using an induction pack prepared by PWYP. In addition, Trustees are supported in their role by training sessions at each Board meeting. The Board also maintains a skills matrix which it reviews regularly to ensure that it has the necessary skills and experience to govern PWYP effectively (see [Board webpage](#) for more information).

Global Council

The Global Council is an elected body of 10 PWYP member representatives, which develops strategies and prioritises activities in operational plans, making recommendations to the Executive Director and Board as appropriate. It does so through expression of, and debate between, the diversity of voices of PWYP members. It aims for decision by consensus, but votes on recommendations when necessary. Global Council members give their time freely and receive no remuneration for their service.

The Global Council is accountable to the Global Assembly of members for its work. Its responsibilities are set out in the Terms of Reference and Role Descriptions in PWYP's Governance Manual.

Visit the [Global Council webpage](#) to see its representatives, its full Terms of Reference and the minutes of its predecessor body, the Global Steering Committee.

The Global Assembly

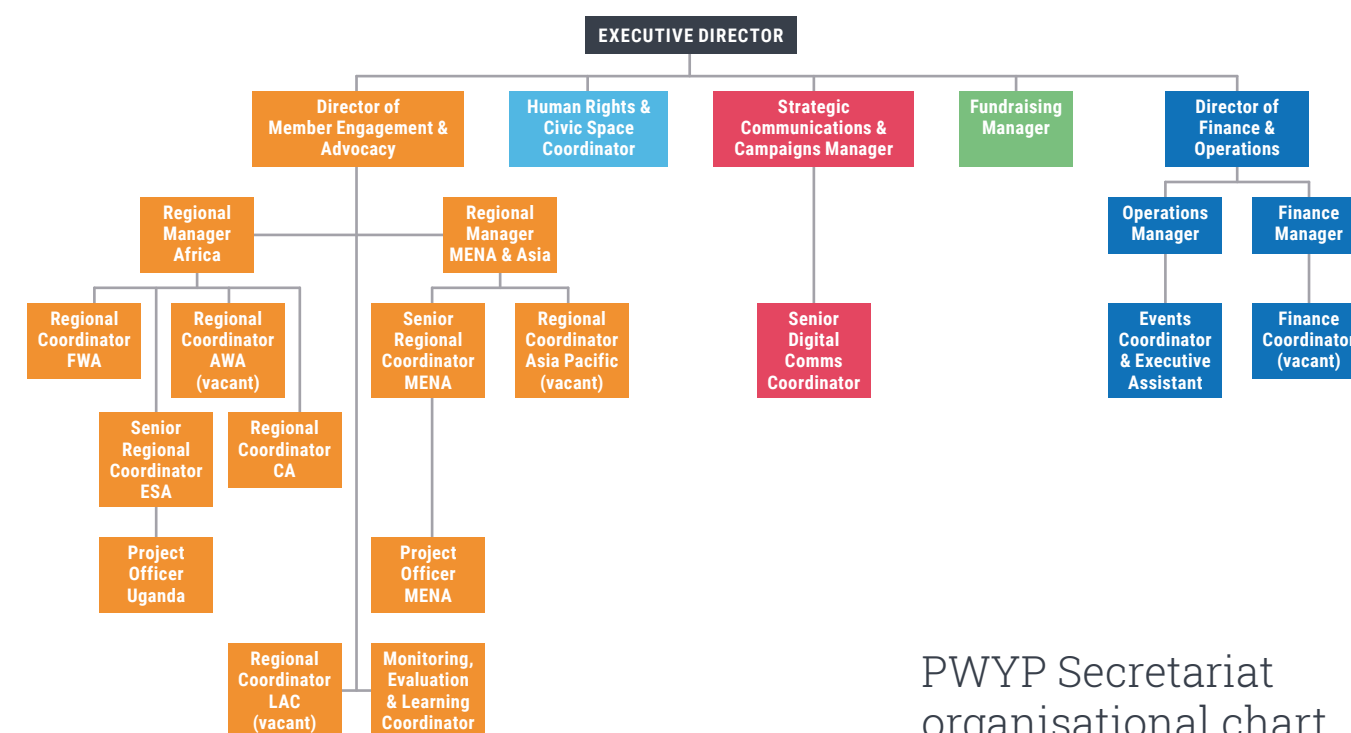
This is a three-yearly meeting of PWYP member organisations to discuss progress and achievements, and to engage in strategy and policy review. PWYP held its most recent Global Assembly in Dakar, Senegal, in January 2019.

Africa Steering Committee

The [Africa Steering Committee](#) is composed of representatives from African sub-regions: Eastern and Southern Africa; Central Africa; Anglophone West Africa, and Francophone West Africa. Members' terms are of three years. The committee's role is to provide strategic guidance to PWYP members in Africa and to ensure that national coalitions and members comply with PWYP principles and standards.

The Secretariat

A small decentralised Secretariat is based partly in London, with half the team operating from different regions. Its role is to support national coalitions in their strategy, governance,



PWYP Secretariat organisational chart

management, communication and delivery of work plans. It is facilitative and enabling, and does not have a supervisory role over the national coalitions. The Secretariat also has responsibility for coordinating PWYP's work at international and regional levels, as well as joint fundraising and coordinating the implementation of funded projects.

With the launch of the new strategy in 2019, the Secretariat undertook a review of its staff structure to ensure that it could deliver on the strategy. A number of new posts were created as a result of that review and the new structure will be implemented over the course of 2020-2021 (funding dependent).

Decision-making processes and delegation of authority

At the triannual Trustees' meetings, the Trustees agree the broad strategy and areas of activity for PWYP, including consideration of financial management, reserves and risk management policies, and performance. Day-to-day administration, financial planning and reporting is delegated to the Executive Director.

Management structure

The Executive Director of the Secretariat oversees the work and performance of a decentralised team. She reports to the Chair of the Board.

Methods for the recruitment and appointment of Trustees

PWYP follows closely the guidelines of the Charity Commission and its Articles of Association regarding the appointment of new Trustees. Our Governance Manual provides for a minimum of three and a maximum of nine Trustees. Of these, three are elected by the Global Council from a list of nominations made by PWYP members. This includes one member selected from and by the Global Council, sitting on both bodies. Up to six additional Board members are selected from external stakeholders, to ensure that all required governance skills are present on the Board. The Board maintains a skills matrix of its Trustees, and new Trustees are chosen in consultation with the full Board to ensure that collectively, members have the necessary skills and experience to operate effectively.

Board members will serve for a term of three years. At the end of this period, they may be re-nominated for up to two further three-year terms, so the maximum period for which a Board member may serve is nine years. After this, there must be a break of at least one year before a former Board member may be eligible for nomination or selection again.

Policies and procedures for the induction and training of new Trustees

All PWYP Trustees follow the guidelines set out by the Charity Commission, in particular the Commission's guidance on "The Essential Trustee: What You Need to Know" and "Charities and Public Benefit". We ensure that new

Trustees build an understanding of PWYP and establish relationships with the management team and main strategic partners. The trustees are also given periodic briefings by PWYP's UK lawyers on governance issues and Charity Commission guidance. They are supported in their role with training sessions provided at each Board meeting.

Public benefit

PWYP exists to help people and communities living in resource-rich countries where the wealth generated from gas, oil and mineral resources does not automatically translate into adequate standards of living or access to basic services. We therefore consider our "public" to be citizens in resource-rich countries who are currently not benefiting from the resources that exist in their countries. PWYP focuses on supporting and representing the interests of some of the most marginalised populations, who are often disproportionately affected by extractive projects and are politically disenfranchised – such as indigenous peoples in remote locations and women. We aim to support the long-term sustainable development of these communities. There is no restriction on the benefits to any specific section of the public.

The Trustees confirm that they have given due regard to the Charity Commission's public benefit guides PB1, PB2 and PB3 in determining the activities undertaken by PWYP. We consider that PWYP's work is demonstrably for the public benefit, in that PWYP's main activities focus on:

- **Promotion of ethical standards of conduct and compliance with the law:** By promoting transparency and accountability

in all aspects of the management of the natural resource sector – including investment decisions and the use of revenues generated – PWYP brings about positive change that will improve the lives of all citizens, particularly communities living close to extractive sites, who often only experience the negative impact of natural resource extraction.

- **Prevention or relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities affected by the extraction and supply of natural resources:** By promoting government revenue-sharing schemes, PWYP encourages the allocation of funds derived from the extraction of natural resources to affected communities, as well as the redistribution of revenues to benefit citizens in other (non-extractive) regions throughout a country. At local level, this can translate into payment of annual dividends to communities affected by extractive operations. At national level, special development funds endowed with extractives revenues can contribute to the budgets of local authorities, helping to redistribute revenues and eradicate poverty.
- **Advancement of education and research into the extraction supply and value chain for natural resources, and publication and promotion of the useful results of such investigations and research to the public:** Access to reader-friendly information related to the extractive sector and relevant training, will benefit all citizens of resource-rich countries, by enabling them to hold governments and companies to account for the revenues generated by the exploitation of natural resources. ■

Statement of Trustees' responsibilities

The Trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company, and of the income and expenditure of the charitable company for that year. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP), and make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and each Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Annual Report and Strategic Report were approved by the Board of Trustees on 29 July 2020 and signed on its behalf by:



Susan Hazledine
Trustee, Publish What You Pay

Date: **29 July 2020**

Legal and administrative information

Registration number 9533183

Trustees

Carlo Merla
Chair

Alan Detheridge
Treasurer

Ali Idrissa

Julie McCarthy

Susan Hazledine

Athayde Jose Ada Motta Filho
(appointed 30 April 2019)

Victoria Ibezim-Ohaeri
(appointed 28 February 2020)

Company Secretary

Caroline Macleod

Management

Elisa Peter
Executive Director

Caroline Macleod
Director of Finance and Operations

Stephanie Rochford
Director of Member Engagement

Registered Office

Until June 2019:

CAN Mezzanine
7-14 Great Dover Street
London SE1 4YR
Tel: +44 20 3096 7716
Email: info@pwyp.org

As of July 2019:

The Office Group
201 Borough High Street
London SE1 1JA
Tel: +44 20 3817 7639
Email: info@pwyp.org

Independent Auditors

Critchleys Audit LLP

Beaver House
23-38 Hythe Bridge Street
Oxford OX1 2EP

Solicitors

Bates Wells Braithwaite

10 Queen Street Place
London EC4R 1BE

Bankers

Barclays Bank PLC,
Corporate Banking Oxford & Swindon
Wytham Court, 11 West Way, Oxford OX2 0JB

Ebury Partners UK Limited

3rd floor, 100 Victoria Street
London SW1E 5JL

Independent auditor's report to the members of Publish What You Pay

Opinion

We have audited the financial statements of Publish What You Pay (the "Charity") for the year ended 31 December 2019, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2019 and of its income and expenditure for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) (UK) and applicable law. Our responsibilities under those standards are further described in the section of our report covering the Auditor's

responsibilities for the audit of the financial statements. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters, in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the Trustees' report (incorporating the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained

in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept
- the financial statements are not in agreement with the accounting records and returns
- certain disclosures of Trustees' remuneration specified by law are not made, or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement [set out on page 54], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed. ■



Colin Mills

Senior Statutory Auditor

For and on behalf of Critchleys Audit LLP
(Statutory Auditor), Oxford

Date: **29 July 2020**

Statement of financial activities

(including income and expenditure account)
for the year ended 31 December 2019

	Note	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
Income and endowments from:					
Grants	3	1,633,592	987,933	2,621,525	2,325,072
Bank interest		656	–	656	385
Total income		1,634,248	987,933	2,622,181	2,325,457
Expenditure on:					
Raising funds		70,001	–	70,001	46,674
Charitable activities:	5				
Member engagement		1,326,655	1,021,829	2,348,484	1,522,274
Advocacy and learning		247,433	79,218	326,651	367,131
Total expenditure		1,644,089	1,101,047	2,745,136	1,936,079
Net (expenditure)/income		(9,841)	(113,114)	(122,955)	389,378
Transfers	11,12	(33,169)	33,169	–	–
Net movement in funds		(43,010)	(79,945)	(122,955)	389,378
Total funds brought forward at 1 January 2019		682,091	312,774	994,865	605,487
Total funds carried forward at 31 December 2019	11,12	639,081	232,829	871,910	994,865

Statement of financial activities (comparatives)

for the year ended 31 December 2019
(including income and expenditure account)

	Note	2018 Unrestricted funds £	2018 Restricted funds £	2018 Total funds £	2017 Total funds £
Income and endowments from:					
Grants	3	1,468,599	856,473	2,325,072	2,053,441
Bank interest		385	–	385	–
Total income		1,468,984	856,473	2,325,457	2,053,441
Expenditure on:					
Raising funds		46,318	356	46,674	35,058
Charitable activities:	5				
Member engagement		851,755	670,519	1,522,274	1,666,725
Advocacy and learning		319,044	48,087	367,131	316,818
Total expenditure		1,217,117	718,962	1,936,079	2,018,601
Net (expenditure)/income		251,867	137,511	389,378	34,840
Transfers	11,12	1,489	(1,489)	–	–
Net movement in funds		253,356	136,022	389,378	34,840
Total funds brought forward at 1 January 2018		428,735	176,752	605,487	570,647
Total funds carried forward at 31 December 2018	11,12	682,091	312,774	994,865	605,487

Balance sheet

as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets:			
Tangible fixed assets	8	15,000	7,483
Total fixed assets		15,000	7,483
Current assets:			
Debtors	9	18,830	192,879
Cash at bank and in hand		1,251,811	1,603,548
Total current assets		1,270,641	1,796,427
Current liabilities:			
Amounts falling due within one year	10	(413,731)	(809,045)
Net current assets		856,910	987,382
Total assets less current liabilities		871,910	994,865
Funds:			
Unrestricted funds	11	639,081	682,091
Restricted funds	12	232,829	312,774
Total		871,910	994,865

Approved and authorised for issue by Directors
on 29 July 2020 and signed on their behalf by:



Susan Hazledine
Director/Trustee

Date: **29 July 2020**

Statement of cash flows

for the year ended 31 December 2019

	2019 £	2018 £
Cash flows from operating activities:		
Net cash (used in)/provided by operating activities (below)	(332,093)	900,041
Cash flows from investing activities:		
Purchase of tangible fixed assets	(19,644)	(4,722)
Proceeds on disposal of tangible fixed assets	–	–
Change in cash and cash equivalents in the reporting period	(351,737)	895,319
Cash and cash equivalents at the beginning of the reporting period	1,603,548	708,229
Cash and cash equivalents at the end of the reporting period	1,251,811	1,603,548
Reconciliation of net incomes to net cash flow from operating activities		
Net (expenditure)/income for the reporting period	(122,955)	389,378
Adjustments for:		
Depreciation	9,219	10,705
Loss on disposal of fixed asset	2,908	188
Decrease/(increase) in debtors	174,049	(134,515)
(Decrease)/increase in creditors	(395,314)	634,285
Net cash (used in)/provided by operating activities:	(332,093)	900,041

Notes to the accounts

for the year ended 31 December 2019

1. Company information

Publish What You Pay is a company limited by guarantee incorporated in the United Kingdom. Its registered office address is
The Office Group
201 Borough High Street
London
SE1 1JA

The charity is limited by guarantee and does not have a share capital. Each member gives a guarantee to contribute a sum, not exceeding £1, to the charity should it be wound up.

2. Accounting policies

a) Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice ‘Accounting and Reporting by Charities’ (Charities SORP (FRS102), FRS102 and the Companies Act 2006. Publish What You Pay is a public benefit entity.

The Trustees have considered the impact of Covid-19 and there are no material uncertainties about the charity’s ability to continue as a going concern.

b) Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. If income is received in advance where the donor has

specified this must be spent in a future year this is carried forward as deferred income.

Restricted income not expended in the year is carried forward within restricted fund balances (see note 12).

c) Expenditure

Expenditure is accounted for on an accruals basis and gross of any related income. They are classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources.

Costs of raising funds comprise the costs associated with income generation via fundraising.

Expenditure on charitable activities comprises direct charitable expenditure and support costs. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.

Grants which the trustees have committed themselves to making are charged in the Statement of Financial Activities in the year in which the commitment is made.

d) Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Fixtures and fittings – 33.33% straight line

Computer equipment – 33.33% straight line

Notes to the accounts

for the year ended 31 December 2019
(continued)

2. Accounting policies (continued)

e) Leases and hire purchase contracts

Rentals paid under operating leases are charged to income as incurred.

f) Funds accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds which the Trustees have set aside for specific purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

g) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

h) Pensions

Contributions to defined contribution pension schemes are recognised in the Statement of Financial Activities in the period in which they become payable.

Notes to the accounts

for the year ended 31 December 2019
(continued)

3. Grants

Donor	Type	2019	2018
Community of Democracies	Restricted funds	–	4,279
Cordaid	Restricted funds	49,986	46,899
Danida	Unrestricted funds	205,677	116,313
Finland Ministry of Foreign Affairs	Restricted funds	442,948	–
Ford Foundation	Restricted funds	154,262	167,262
Ford Foundation – Institute of International-Franco Regional Meeting	Restricted funds	36,416	–
Ford Foundation (Lagos meeting)	Restricted funds	–	1,777
Luminate	Unrestricted funds	291,210	284,815
Luminate - Mandatory Disclosure	Restricted funds	145,605	281,067
Luminate - 2019 Global Assembly	Restricted funds	10,000	7,745
Natural Resource Global Initiative	Restricted funds	38,331	7,495
Natural Resource Global Initiative – Mandatory Disclosures	Restricted funds	–	80,466
Open Society Foundations	Unrestricted funds	697,026	632,290
Open Society Foundations – Civic Space	Restricted funds	–	65,845
Open Society Foundations – ROTAB	Restricted funds	–	28,102
Open Society Initiative for Southern Africa, grant via Southern Africa Resource Watch (SARW)	Restricted funds	14,385	–
Open Society Initiative for West Africa (2019 Global Assembly)	Restricted funds	–	23,478
Oxfam (2017 Africa Conference)	Restricted funds	–	508
Oxfam Niger (2017 Africa Conference)	Restricted funds	–	638
Sigrid Rausing Trust	Unrestricted funds	100,000	75,000
The William and Flora Hewlett Foundation	Unrestricted funds	339,679	360,181
The William and Flora Hewlett Foundation (Capacity Building Grant)	Restricted funds	–	9,487
The William and Flora Hewlett Foundation (Gender Project)	Restricted funds	96,000	131,425
Total		2,621,525	2,325,072

Notes to the accounts
for the year ended 31 December 2019
(continued)

4. Net income/(expenditure)

	2019 £	2018 £
This is stated after charging:		
Auditor's remuneration (audit)	8,100	7,500
Auditor's remuneration – tax services	1,920	1,500
Depreciation of tangible fixed assets (note 8)	9,219	10,705

Notes to the accounts
for the year ended 31 December 2019
(continued)

5. Costs of charitable activities

2019	Note	Member engagement £	Global initiatives and impact £	Total 2019 £	Total 2018 £
Grants payable	6	557,233	32,685	589,918	513,845
Costs directly allocated to activities:					
Programme costs		519,999	56,004	576,003	326,779
Staff costs		224,377	100,322	324,699	439,010
Travel		208,279	14,149	222,428	68,575
Communications		2,960	10,760	13,720	4,178
Total costs directly allocated to activities		955,615	181,235	1,136,850	838,542
Support costs allocated to activities:					
Staff costs		508,762	68,642	577,404	332,466
Recruitment		4	449	453	4,658
Office costs		304,068	40,577	344,645	191,250
Foreign exchange (gain)/loss		(2,978)	(415)	(3,393)	(31,738)
Governance costs:					
Global meetings and other governance costs		18,643	2,515	21,158	32,883
Audit		7,137	963	8,100	7,499
Total support and governance costs		835,636	112,731	948,367	537,018
Total cost of charitable activities		2,348,484	326,651	2,675,135	1,889,405

Notes to the accounts

for the year ended 31 December 2019
(continued)

6. Grants payable

Grants were paid during the year to the following institutions:	2019	2018
Association Africaine de Défense des Droits l'Homme (PWYP DRC)	8,653	18,122
Association pour l'autopromotion des communautés de base (PWYP Togo)	–	775
Caritas Zambia (PWYP Zambia)	–	3,098
Consensus Building Institute	32,685	15,318
Economic Justice Network (PWYP South Africa)	(37,688)	107,942
Environics Trust (PWYP India)	12,016	–
Fund for Constitutional Government (PWYP US)	44,200	98,664
General Assembly of PWYP Gabon (PWYP Gabon)	5,200	–
Hakirasilimali ("PETT" project)	113,994	–
Impact (PWYP Canada)	37,603	65,691
KUWUKA JDA - Juventude Desenvolvimento e Advocacia ("PETT" project)	130,822	–
La Coalition Nationale Publiez Ce Que Vous Payez Guinee	–	5,809
Mines alerte (PCQVP Burkina Faso)	7,852	5,809
ONG Lumiere (PWYP Senegal)	7,852	5,809
Open Society Forum Mongolia	–	1,673
Owners of Khuvsgul Lake movement (PWYP Mongolia)	5,327	–
Oxfam America (PWYP US)	–	21,952
Oxfam France (PWYP France)	11,130	20,492
Pro-biodiversity Conservationists in Uganda ("PETT" project)	127,626	–
Publiez Ce Que Vous Payez – Guinee (PWYP Guinea)	7,852	–
Comité Sénégalais des Droits de l'Homme (CSDH) (PWYP Senegal)	11,617	–
ROTAB (PWYP Niger)	16,488	30,158
PWYP Transparency Initiative Nigeria	17,381	–
The ONE Campaign (PWYP UK)	28,301	43,416
Uniting Churches Australia (PWYP Australia)	–	69,771
Wangonet	–	(654)
World Dynamics of Young People	1,007	–
	589,918	513,845

Notes to the accounts

for the year ended 31 December 2019
(continued)

7. Staff costs

	2019 £	2018 £
Wages and salaries	519,073	492,749
Hosted staff costs	297,206	211,102
Social security costs	57,674	50,141
Pensions	54,255	54,470
	928,208	808,462

During the year ended 31 December 2019 the charity employed 8 full-time members (2018: nine).

The Senior Management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

Key management personnel remuneration in the period was £334,179 (2018: £371,819).

The number of employees whose employee benefits (excluding employer's pension costs and employer's NI) fell within the following bands was:

	2019 No.	2018 No.
£60,001 - £70,000	0	1
£70,001 - £80,000	1	2
£80,001 - £90,000	1	1
£90,001 - £100,000	1	0

Notes to the accounts
for the year ended 31 December 2019
(continued)

8. Tangible fixed assets

	Computer equipment £	Fixtures & fittings £	Total £
Cost:			
At 1 January 2019	27,446	8,675	36,121
Additions	19,644	–	19,644
Disposals	–	(6,215)	(6,215)
At 31 December 2019	47,090	2,460	49,550
Depreciation:			
At 1 January 2019	24,015	4,623	28,638
Charge for year	8,399	820	9,219
Eliminated on disposal	–	(3,307)	(3,307)
At 31 December 2019	32,414	2,136	34,550
Net book value:			
At 31 December 2019	14,676	324	15,000
At 1 January 2019	3,431	4,052	7,483

9. Debtors

	2019 £	2018 £
Other debtors	8,000	12,960
Prepayments and accrued income	10,830	179,919
Total	18,830	192,879

Notes to the accounts
for the year ended 31 December 2019
(continued)

10. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	35,441	31,834
Accruals	353,143	31,643
Deferred income	–	697,026
Other creditors	25,147	48,542
Total	413,731	809,045

Deferred income represents grants and donations received for specific future programmes.

Deferred income movements can be summarised as follows:

	2019 £	2018 £
Brought forward	697,026	129,049
Recognised as income in the year	(697,026)	(129,049)
Deferred in the year	–	697,026
Carried forward	–	697,026

Notes to the accounts for the year ended 31 December 2019 (continued)

11. Unrestricted funds

2019	Operational reserve £	Global Assembly £	General funds £	Total £
At 1 January 2019	270,000	111,227	300,864	682,091
Transfers - Global Assembly utilised	–	(111,227)	111,227	–
Transfers - restricted funds	–	–	(33,169)	(33,169)
Transfers - increase operational reserve	60,000	–	(60,000)	–
Income/(expenditure) for period retained	–	–	(9,841)	(9,841)
At 31 December 2019	330,000	–	309,081	639,081

The purpose of the PWYP Operational Reserve is to ensure the stability of the mission, programmes, employment and ongoing operations of the organisation. The Operational Reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The reserve may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure.

2018	Operational reserve £	Global Assembly £	General funds £	Total £
At 1 January 2018	219,089	–	209,646	428,735
Transfers	50,911	111,227	(160,649)	1,489
Income/(expenditure) for period retained	–	–	251,867	251,867
At 31 December 2018	270,000	111,227	300,864	682,091

Notes to the accounts for the year ended 31 December 2019 (continued)

12. Restricted funds

2019 Narrative	Opening funds	Income	Expenditure	Transfers	Closing funds
Cordaid 2018	4,401	–	4,401	–	–
Cordaid 2019	–	49,986	42,634	–	7,352
Ministry of Foreign Affairs Finland	–	442,948	476,117	33,169	–
Ford Foundation	144,990	154,262	160,992	–	138,260
Ford Foundation- Institute of International-Franco Regional meeting	–	36,416	36,416	–	–
Luminate - Mandatory Disclosures	13,044	145,605	123,486	–	35,163
Luminate (2019 Global Assembly)	7,852	10,000	17,852	–	–
Natural Resource Governance Institute (Mandatory Disclosures)	–	38,331	18,223	–	20,109
Open Society Foundations - EU	17,821	–	17,822	–	–
Open Society Foundations - Transition	3,794	–	3,794	–	–
Open Society Foundations - Civic Space	66,740	–	66,740	–	–
The Open Society Initiative for Southern Africa (OSISA)	–	14,385	14,385	–	–
The Open Society Initiative for West Africa (OSIWA) (2019 Global Assembly)	22,067	–	22,067	–	–
The William and Flora Hewlett Foundation (Gender Project)	32,065	96,000	96,120	–	31,945
Total	312,774	987,933	1,101,047	33,169	232,829

Notes to the accounts for the year ended 31 December 2019 (continued)

12. Restricted funds (continued)

Cordaid 2018 and 2019: This Grant to support project that focuses on strengthening the influencing skills of the PWYP Africa Steering Committee (ASC) members to use the Africa Mining Vision (AMV) as a strategic advocacy focus. Including developing civil society leadership on the Pan African mineral governance advocacy agenda through the prism of the Africa Mining Vision, as well as to support country level work of civil society in the Democratic Republic of Congo and in South Sudan.

Ministry of Foreign Affairs Finland: Grant to support capacity building, peer-learning, knowledge-sharing and advocacy by civil society organisations in Sub-Saharan Africa to monitor the tax payments made by extractive companies to governments with a view to ensuring that they contribute to equitable and sustainable development ("PETT" project).

Ford Foundation: Grant to support to foster civil society leadership, learning, and networking in order to enhance gender responsiveness, equitable benefit sharing, and defence of civic space in the extractives sector in Africa.

Ford Foundation (Regional meeting): Grant to support PWYP regional meeting for Francophone West Africa.

Luminate: Grants to help facilitate the Mandatory Disclosures Campaign in Canada, the UK, Australia, the Netherlands and France. It is also to promote organisational development, strengthening PWYP to implement vision 20/20, and advocacy for policies to implement existing laws by facilitating open data. This donor also provided assistance towards the cost of the 2019 Global Assembly.

Natural Resource and Governance Institute: Grant provided to support PWYP work towards a global mandatory disclosure reporting standard in the extractive sector, in line with PWYP's new strategy.

Open Society Foundations: Grant to facilitate costs incurred by PWYP in our move from being hosted by Open Society Foundations to becoming an independent entity. The remaining balance represents the purchase of fixed assets which will be written off over the life of the assets.

Open Society Foundations – EU: Grant to support Mandatory Disclosures work in the EU.

Open Society Foundations - Civic space: Grant to equip PWYP members with resources and tools to mitigate and respond to issues related to closing civic space.

The Open Society Initiative for Southern Africa: Grant to enhance PWYP Southern Africa members' knowledge and understanding of the PWYP global strategy for 2020-2025, to advocate for transparency and accountability in the use of revenues from mining projects in Zambia, Zimbabwe and Malawi, and to strengthen governance, coordination and knowledge management abilities of PWYP Madagascar and Mozambique.

Open Society Initiative for West Africa: Grant to support the PWYP 2019 Global Assembly.

The William and Flora Hewlett Foundation: Grant to promote a gender-responsive Extractive Industries Transparency Initiative.

Notes to the accounts for the year ended 31 December 2019 (continued)

12. Restricted funds (continued)

2018 Narrative	Opening funds	Income	Expenditure	Transfers	Closing funds
Community of Democracies	(4,502)	4,279	(223)	–	–
Cordaid	–	46,899	42,498	–	4,401
Ford Foundation	–	167,262	22,272	–	144,990
Ford Foundation (EITI Project)	28,232	–	28,232	–	–
Ford Foundation (Lagos Meeting)	–	1,777	1,777	–	–
Friedrich-Ebert-Stiftung	(1,953)	–	(1,953)	–	–
Luminate - Mandatory Disclosures	15,815	281,066	283,837	–	13,044
Luminate - Data	26,978	–	26,978	–	–
Luminate - EU	29,217	–	29,217	–	–
Luminate (2019 Global Assembly)	–	7,745	(107)	–	7,852
Natural Resource Governance Institute	42,435	7,495	49,930	–	–
Natural Resource Governance Institute (Mandatory Disclosures)	–	80,466	80,466	–	–
Open Society Foundations - EU	28,478	–	10,657	–	17,821
Open Society Foundations - Transition	12,771	–	8,977	–	3,794
Open Society Foundations - Civic Space	–	65,846	(894)	–	66,740
Open Society Foundations - ROTAB	–	28,102	28,102	–	–
OSIWA	1,489	–	–	(1,489)	–
OSIWA (2019 Global Assembly)	–	23,478	1,411	–	22,067
Oxfam (2017 Africa Conference)	–	508	508	–	–
Oxfam IBIS Denmark (Data extractors 2017)	398	–	398	–	–
Oxfam Niger (2017 Africa Conference)	–	638	638	–	–
The William and Flora Hewlett Foundation (Capacity Building Grant)	(2,606)	9,487	6,881	–	–
The William and Flora Hewlett Foundation (Gender Project)	–	131,425	99,360	–	32,065
Total	176,752	856,473	718,962	(1,489)	312,774

Notes to the accounts

for the year ended 31 December 2019
(continued)

13. Analysis of net assets

2019	Restricted £	Unrestricted £	Total £
Fixed assets	–	15,000	15,000
Net current assets	232,823	624,081	856,904
	232,823	639,081	871,910

2018	Restricted £	Unrestricted £	Total £
Fixed assets	–	7,483	7,483
Net current assets	312,774	674,608	987,382
	312,774	682,091	994,865

14. Related party transactions

The name of the transacting related party is Miles Litvinoff.

The related party is a member of the Global Council at Publish What You Pay.

Miles Litvinoff is a NGO Consultant and Writer/Editor and he was reimbursed for travel and subsistence expenses.

The expenses related to the PWYP Global Assembly and the Global Council Board meeting.

The total reimbursed to the related party during the period ending 31 December 2019 was £1,120, (2018 £1,136).

There are no outstanding balances or provisions for doubtful debts with the related parties for the period ending 31 December 2019.

15. Lease commitments

The charity has a 3 month notice period on its premises so there is a minimum lease commitment of £24,000 (2018: £13,650). The rental charge in the period was £67,603 (2018: £55,530). ■

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