



The Canadian International Institute for Extractive Industries and Development

BUSINESS PLAN

Submitted to the Canadian International Development Agency by

The University of British Columbia

Simon Fraser University

École Polytechnique de Montréal

25 March 2013

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Abbreviations

AMDC	African Minerals Development Center
AusAid	Australian Agency for International Development
CIDA	Canadian International Development Agency
CIHR	Canadian Institutes of Health Research
EDGE	Electronic Database for the Governance of Extractives
EITI	Extractive Industry Transparency Initiative
EPM	École Polytechnique de Montréal
GOXI	Governance of Extractive Industries
IDRC	International Development Research Centre
IM4DC	International Mining for Development Centre
MOU	Memorandum of Understanding
NARMA	Network for Applied Research on Mining, Oil and Gas Activities
NGO	Non-governmental organization
NSI	North-South Institute
NORAD	Norwegian Agency for Development Co-Operation
NRC	Natural Resource Chart
NSERC	Natural Sciences and Engineering Research Council of Canada
OfD	Oil for Development
RWI	Revenue Watch Institute
SFU	Simon Fraser University
SSHRC	Social Sciences and Humanities Research Council of Canada
UBC	University of British Columbia
UKAid-DfID	UK Aid - Department for International Development
USAID	United States Agency for International Development
WB-EITAF	World Bank Extractive Industries Technical Advisory Facility

A. Executive Summary

The Canadian International Development Agency (CIDA) has selected the University of British Columbia (UBC) / Simon Fraser University (SFU) / École Polytechnique de Montréal (EPM) coalition to establish the Canadian International Institute for Extractive Industries and Development (the “Institute”). The UBC/SFU/EPM coalition will establish the Institute in Vancouver with an office in Montreal.

The Institute’s mandate is to act as a centre for Canadian and world-class expertise in improving and strengthening extractive sector (minerals, oil and gas) governance that will serve to help developing country governments on a number of levels. At the request of developing country governments, the Institute will collaborate with in-country partners or participants to build capacity in policy, legislation, regulatory development and implementation, training, technical assistance and applied research related to the developing country’s extractive sectors. Achievement of our mandate will result in demonstrable improvements in the capacity of developing countries to utilize and benefit from their extractive sectors in order to stimulate sustainable economic growth and reduce poverty. The Institute’s approach will be to respond to developing country needs that have been identified through a dynamic and evolving country-led process. Strategies to engage developing countries and build capacity will include:

- Providing targeted technical assistance in assessment, development and implementation of extractive sector related government policies and regulations.
- Delivering education workshops and programs for developing country government personnel and extractive sector leaders.
- Supporting developing country government officials/personnel, academics, and sector leaders to interact with experts working in this field via education programs, study tours, fellowships, and/or dialogue events.
- Coordinating in-country (regional) dialogues with multi-stakeholder representation to identify country extractive sector governance needs and context, and contribute to inclusion and gender equity.
- Collaboration between local and international experts in learning and education, applied research and technical assistance in order to ensure responsiveness to country-led needs.

Delivery of practical and results-oriented services will be accomplished through four integrated Activity Centres: Advisory Centre, Applied Research Centre, Engagement and Dialogue Centre, and Learning and Education Centre. Centre programming will prioritize capacity building and knowledge sharing activities for three extractive sector areas: Governance Processes, Integrated Resource Management, and Economic Development and Diversification. The Institute will offer complementary and diverse international expertise related to extractive sector policy and regulation, socio-economic and environmental issues, social responsibility and sustainability education, and multi-stakeholder dialogue.

The Institute has developed strategic partnerships with Canadian and foreign academic institutions, governments, NGOs, and extractive sector companies. The Institute has secured, and will continue to seek, the support needed to ensure a sustainable operational infrastructure, while extending the value and reputation of its global presence in developing countries.

B. Vision, Mandate and Scope

a) *Vision*

The Institute's vision and ultimate outcome is to improve the ability of developing countries to utilize and benefit from their extractive sectors in order to stimulate sustainable economic growth and reduce poverty. The Institute will assist developing country governments in meeting their respective needs for governing and managing their extractive industry sectors.

b) *Mandate*

The mandate of the Institute is to act as a centre for Canadian and world-class expertise in improving and strengthening resource governance that will serve to help developing country governments meet their need for policy, legislation, regulatory development and implementation, training, technical assistance, and applied research related to their own extractive sectors.

c) *Values*

To fulfill this mandate, the core values that guide the Institute include:

- **Accountability** of the coalition to CIDA and to the government of Canada, and to the developing country governments with which the Institute engages in capacity-building programs to ensure understanding of and conformity with their requirements and expectations.
- **Engagement** to ensure that the Institute's capacity-building programs are aligned with the priority needs and long-term interests of developing countries.
- **Inclusivity and sensitivity to gender equity** will characterize the personnel profile of the Institute both in its staffing and in the design and delivery of its capacity-building programs for developing country governments.
- **Mutual respect** will guide interaction across academic disciplines and institutions, and among governments and extractive sector entities, in Canada and in the countries hosting the capacity-building programs of the Institute.
- **Sustainability** will be fully integrated into all programs and activities of the Institute and is recognized as an essential requirement for long-term economic growth and poverty reduction.

Our values will ensure that the Institute directs capacity-building programs towards priority needs as defined with developing country governments, and that the Institute's programs and activities reflect an understanding of and sensitivity to different perspectives on the extractive sector in host countries. Our values will guide the Institute in promoting more effective and productive interactions with developing country governments and on their request, relevant stakeholders in their extractive sectors. Our values are the path towards an organizational culture that will encourage outreach, attract expertise from different academic disciplines and institutions, and facilitate collaboration in programs of capacity building.

d) *Outcomes*

i. **Intermediate Outcomes**

The Institute has the following intermediate outcomes as shown in the Logic Model (see Appendix 1).

1100 Improved design and implementation of extractive sector policies and frameworks by developing country governments.

1200 Increased human resource capacity in developing countries to contribute to the equitable and sustainable governance and management of their extractive sectors.

1300 Increased generation and sharing of knowledge on extractive sector governance and management in developing countries.

ii. Immediate Outcomes

The Institute will undertake integrated initiatives, the direct outputs of which are intended to enable changes in access, ability or skills (immediate outcomes) of beneficiaries. Some examples are provided below.

1110 Improved capability of developing country governments to formulate sustainable and equitable extractive sector policies and regulations.

Examples

- On request, provide targeted technical assistance to developing country governments for: assessing, developing and establishing extractive sector related public policies and regulations; reviewing the economic, environmental, and social benefits and impacts of extractive sector public policies and regulations; developing monitoring and reporting regulatory frameworks; developing policies and programs that promote socio-economic diversification and reduce poverty in extractive sector communities.
- Design and deliver customized extractive sector public policy and governance education programs for developing country government personnel.

1120 Improved capacity of developing country governments to manage their extractive sectors in a sustainable and equitable manner.

Examples

- Provide training to developing country government personnel on best practices in extractive resource management (economic, social and environmental) that are responsive to the needs of developing countries.
- Provide extractive sector scholarship programs for developing country government personnel to study in Canada.

1210 Improved capability of developing country governments to engage with various stakeholders in the governance and management of their extractive sectors.

Examples

- At the request of developing country governments, convene multi-sector dialogues and forums on extractive sector governance and management issues that support the active involvement and relationship building of government officials/personnel with relevant stakeholders (including women and indigenous peoples) in developing countries.
- Provide education workshops or courses for developing country government personnel on collaborative models of extractive sector policy development and implementation.

1220 Improved capability of governments and relevant stakeholders, including women, in developing countries to implement socio-economic development and environmental sustainability best practices in their extractive sectors.

Examples

- Provide technical assistance to developing country governments regarding extractive sector socio-economic development and diversification policies and strategies.
- Design and deliver training on sustainable and integrated resource management practices to government personnel and members of relevant extractive sector stakeholder groups in developing countries.

1310 Increased capability of developing country governments to share knowledge with various stakeholders about extractive sector governance and management issues.

Examples

- At the request of developing country governments, convene multi-stakeholder dialogues or needs assessments for developing country government officials/personnel and relevant stakeholders to develop a shared understanding of current conditions, priority concerns and needs in extractive sector governance and management.
- At the request of developing country governments, build capacity in developing countries to convene multi-sector dialogues about extractive sector governance and management issues.

1320 Increased capacity of developing country institutions to provide extractive sector learning to government personnel and relevant stakeholders.

Examples

- With developing country government training institutions and universities, co-design and co-deliver customized education courses and programs on extractive sector governance and management.
- Provide technical assistance to developing country education institutions regarding needs analysis, administration, and evaluation of extractive sector governance and management education programs.

1330 Improved capability of government personnel and research partners in developing countries to conduct applied research on sustainable extractive sector governance and management.

Examples

- Sponsor applied research projects on extractive sector governance processes, integrated resource management, and socio-economic development in developing countries that are conducted by teams of Canadian/developing country researchers
- Provide fellowships for developing country government personnel and academics to study and to develop research collaborations focused on extractive sector governance and management issues in developing countries

iii. Sustainability of the Institute

The Institute will be firmly established as a world-renowned centre that is self-sustaining through the support of the coalition members and its extensive strategic partner network. CIDA will contribute up to \$24.6M over five years to the Institute's establishment and initial operating costs. CIDA's partnership with Canada's higher education system, as a host for this Institute, is based on unquestioned leadership achievements on issues of global concern.

UBC, SFU, and EPM have demonstrated leadership on issues of global concern, including their commitment to international development based on a foundation of high trust, accountability and results-oriented strategic plans. These universities have committed substantial resources to the creation and development costs of the Institute to ensure its sustainability. Housing the Institute within existing University structures provides a foundation of established financial stability, diverse income streams and physical assets; robust administrative and operating systems including enhanced financial controls; and continuity of intellectual/human resources (faculty, students, staff) for Institute programs and activities. The sustainability of the Institute is further enhanced by the establishment of a diverse and wide-ranging network of strategic partners (in Canada and internationally) that will provide additional in-kind and financial resources for programs and activities. The Revenue Generation section of this business plan identifies the strategic initiatives of the coalition members to ensure the ongoing financial sustainability of the Institute.

C. Program Areas, Framework & Sectors

a) Programming Areas

There are three general programming areas for capacity building of developing country governments' governance and management of their extractive sectors.

- i. Governance processes** cover elements such as legislation, regulation, policy making, standards development, and self-regulatory and informal market processes. It also includes those elements pertaining to extractive sector codes and operational standards, revenue generation models and financial benefit distribution and administration. [Logic model outcomes: 1100, 1210, 1300]
- ii. Integrated resource management** is a holistic system-based approach to managing natural resource and environmental issues. It includes best practices in natural resource extraction and use such as ecological impact monitoring and assessment, management of water and waste, biodiversity planning, emergency preparedness, and stakeholder collaboration. [Logic model outcomes: 1120, 1220, 1330]
- iii. Economic development and diversification** is associated with socio-economic benefit optimization and sustainability. It includes integrated national and regional planning, community and occupational health and safety, employment and business development opportunities and cultural and gender sensitivity. [Logic model outcomes: 1100, 1220, 1300]

b) Program Framework

i. Coalition Value

Achievement of our programming objectives defined above will require a well-defined process that engages governments, knowledge organizations and local and regional stakeholders in developing countries in respectful and meaningful dialogue and problem-solving about extractive sector issues. The SFU Beedie School of Business, through its Responsible Minerals Sector Initiative dialogue series, has a proven record in convening such mutual exchanges of governance knowledge.

SFU Beedie School of Business Executive Education, UBC Norman B. Keevil Institute of Mining Engineering, and EPM have considerable experience in developing and offering courses, workshops, professional training, certifications and degrees in extractive sector governance subjects and competencies offering considerable capacity for Canadian and in-country educational programs. Dialogue, knowledge-sharing and learning will be supplemented by problem-focused and project-oriented initiatives in applied research and analysis. Our national and international Strategic Partner Network provides a wide range of extractive industry governance expertise and program delivery in developing countries.

Our program framework recognizes the premise that each capacity building program in extractive sector governance in developing countries must reflect the unique characteristics of the country/region and the local context of the extractive sector. A case-by-case pragmatic approach is grounded in working collaboratively with developing country governments, knowledge organizations and relevant extractive sector stakeholder groups. Our approach will enable the Institute to build organically on the prior experience and work of the coalition and our strategic partners, and to establish a unique Canadian global presence in this sector.

ii. Strategic Partner Network

The Institute boasts numerous strategic partners, including other Canadian and international academic institutions non-governmental organizations, research institutions, provincial governments, developing country governments and private sector organizations and individuals. These partners may provide cash or in-kind donations; collaborate on specific objectives or activities of the Institute including program design and delivery; host visiting fellows or study tours; and/or contribute to knowledge-sharing and exchange. The Institute will leverage prior initiatives and existing capacity and capabilities of our coalition and strategic partners to ensure efficiency and efficacy. Our strategic partner network will also serve as a respected referral agent for the

Institute's activities including advisory services, education courses and programs, fellowship program, dialogues, and applied research initiatives. More detailed information regarding the Strategic Partner Network is provided in the Human Resource Plan subsection of the Operational Implementation Plan (Section F).

iii. Local Staff

The Institute will, whenever feasible and subject to capacity within host countries, draw on local expertise to implement its projects, initiatives and activities. Through its large network of strategic partners, assisted by institutional alumni databases, the Institute should be in a position to quickly identify and hire experienced professionals and, when needed, support staff.

Local expertise constitutes a real asset to any project carried out in a developing country. Local experts can bring strong professional skills, in addition to local knowledge and the capability to bridge the gap between Canadian personnel, host country authorities and relevant stakeholders. Past experience of the coalition members and strategic partners confirms the value of connecting with university alumni based in developing countries, demonstrating that international development projects would not have been able to achieve the results they have accomplished without the assistance of these important connections.

iv. Key Alliances

In order to fulfill its mandate, the Institute will establish collaborative relationships with other world-renowned organizations, both among and outside its current Strategic Partner Network in order to leverage leading practices and coordinate efforts in resource sector governance and management. These alliances will have three main objectives. The first will be to learn from these organizations and identify best practices in order to optimize our strategy and programming. The second will be to coordinate with these key organizations to avoid duplication, increase efficiency, and find complementarities and synergies for specific programs. Both objectives will gain from knowledge-sharing instruments that are currently being developed (EDGE, GOXI). The third objective will be to mobilize key organizations to increase our impact by using their communication platforms and their facilities (social media, regional offices) and by fostering broader coalitions. The Institute will establish these alliances through cooperation agreements with selected organizations. Organizations so far identified include: African Minerals Development Center (AMDC, Ethiopia), International Mining for Development Centre (IM4DC, Australia), Oil for Development (OfD, Norway), and the World Bank Extractive Industries Technical Advisory Facility (WB-EITAF, US). Other organizations under consideration include Natural Resource Charter (NRC, UK), Revenue Watch Institute (RWI, US), Extractive Industry Transparency Initiative (EITI, Norway), the North-South Institute (NSI, Canada), and Extractive Industries programs (UKAid-DfID).

c) Sectors: Mining, Oil & Gas

Extractive sectors consist of economic activities based on naturally occurring concentrations of oil, gas, metals and minerals. Large capital-intensive extractive ventures mostly rely on fiscal linkages to ensure economic wealth transmission to the population. Yet an array of sub-optimal taxation, organizational inefficiencies, misplaced spending priorities, and in some cases personal enrichment, combine to reduce the effective impact of resource revenues on poverty alleviation. Small and more labor-intensive extractive operations, in contrast, provide direct livelihood opportunities for millions of people in poor countries, but pose major health, social and environmental challenges. More generally, inadequate or poorly enforced environmental and social regulations frequently fail to minimize impacts from extractive operations on local communities and ecosystems, resulting in impoverishment and growing tensions.

UBC, SFU and EPM have very strong expertise in mining and will seek to employ it to the full through active partnerships. In the oil and gas sector, the Institute has already secured collaboration with ten strategic partners (see Appendix 2), some are leaders in developing revenue transparency and accountability mechanisms. The Institute will identify additional strategic partners whose expertise could contribute to oil and gas sector-related governance and management issues. The Institute will map required expertise along both the mining and the oil and gas value chains, from geological prospects to revenue allocation, and match this with its list of strategic

partners and experts. This assessment will then help define our existing capacity and to identify gaps to be addressed.

d) CIDA Cross-Cutting Themes

i. Gender Equality

Extractives industries are significant contributors to economic growth in many developing and developed countries. They have considerable potential to help reduce poverty and support socio-economic development through increasing government and community revenues generating employment, and providing physical and human infrastructure. However, there are also risks associated with extractive industries in terms of social and economic upheaval and environmental harm. It is important to consider that men and women often experience differently the benefits and the risks created by extractive industries. The Institute will strive to ensure that the benefits are shared equally among citizens and that risks are minimized.

In accordance with CIDA's Policy on Gender Equality, the Institute will focus on the three following objectives: (i) To advance gender equality in Institute programs and activities (advisory, applied research, education, and engagement and dialogue); (ii) To support the realization of women's human rights in the formulation of policies and regulations for the extractive sector; (iii) To reduce gender inequalities in access to and control over the resources and benefits of extractive industries.

To meet these objectives, the Institute will produce a Gender Analysis that will be integrated in the Institute Implementation Plan and outline a Gender Equality Strategy for the Institute.

ii. Environmental Sustainability

Extractive industries represent a serious challenge for environmental sustainability. Well aware of these implications, the Institute will not only ensure that adapted mitigation measures are proposed for its initiatives/projects but will also encourage initiatives that will improve environmental management in extractive sectors. To meet these objectives, the Institute will produce a Strategic Environmental Assessment and an Environmental Management Plan that will be integrated in the Institute Implementation Plan. This plan will adhere to the Canadian Environmental Assessment Act, CIDA's Policy for Environmental Sustainability, the procedures of CIDA's Handbook on Strategic Environmental Assessment and, when applicable, specific countries' legislation. Environmental assessments of the Institute's initiatives and activities will also be carried out.

iii. Governance

The mandate of the Institute is to act as a centre of expertise in improving and strengthening resource governance. Governance elements associated with extractive industries include, among others, environment (remediation/closure plans, monitoring of effluents, abandoned sites), social (aboriginal rights, human rights, local communities, regional development, artisanal mining), health and safety (air quality, emergency response, occupational diseases, health services), economic (generation of benefits, policy development), competitiveness (R&D, training, incentives) and administrative (regulations, titles management, land access). Despite progress made in recent years, conflict, corruption, lack of respect for human rights (especially for women), and inadequate public services continue to challenge the extractive industries sector in many developing countries.

The Institute will help developing country governments with initiatives and projects that will address elements such as:

- Legislation and regulations
- Public-sector capacity building
- Policy making and standard development
- Socio-economic benefit optimization
- Environmental management
- Conflict prevention

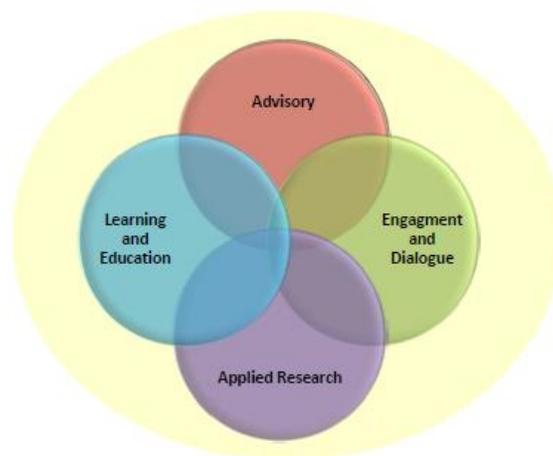
The projects and initiatives carried out by the Institute will adhere to CIDA's policy on Human Rights, Democratization and Good Governance and contribute to its objective of enhancing the will and capacity of developing country societies to respect the rights of children, women and men, and to govern effectively and in a democratic manner. Lessons learned from previous experience should improve project delivery. Given budget limitations, careful selection of key initiatives and projects should contribute to reducing corruption, increasing transparency and accountability, and, in a more general way, improving governance in these sectors.

D. Program Delivery Process and Methods

a) Activity Centres

Technical assistance, broadly defined, will be the primary focus of Institute programs. The Institute operations and methods will include:

- Country-level needs assessments
- Multi-stakeholder engagement and dialogues
- Customized educational and training programs designed to mobilize knowledge and build extractive sector governance expertise
- Applied research and advisory projects including case studies, field trials and pilot projects
- Fellowship program and alumni network designed to optimize mentoring, knowledge exchange/acquisition, mobilization, and capacity strengthening/building



These operations will be delivered through the following four main Activity Centres.

i. Advisory Centre

The Advisory Centre provides focused technical assistance and capacity building to developing country government institutions responsible for governance of the extractive sectors at national and regional levels.

Technical assistance provided by the Centre will address governance issues related to the impact of in-country and international legal systems for acquiring and securing legal rights, negotiation and drafting of resource extraction agreements, due diligence and risk assessment (environmental and social), resource revenue management, anti-corruption legislation, policies and compliance and enforcement requirements, corporate social responsibility programs, codes of conduct, best practices and normative guidelines.

Coalition members and strategic partners have established relationships and are ready to engage in projects that relate to Institute programming areas for strengthening resource governance in developing countries. It is anticipated that activities within the Advisory Centre comprise a range of integrated, capacity-building initiatives including resource databases, the development of online technical assistance tools, assessments of global standards, and engagement with governments and parliamentarians. These projects will initiate from priority areas and needs identified from the other Activity Centres, strategic partners and directed requests received from developing countries.

The Centre will undertake the activities listed below in support of its mandate to provide technical assistance to government institutions and stakeholders with roles and responsibilities in the extractive sectors of developing countries.

- Provide targeted technical assistance to governments for: assessing, developing and establishing extractive sector related public policies and regulations; reviewing the economic, environmental, and social benefits and impacts of extractive sector public policies and regulations; and developing policies and programs that promote socio-economic diversification and reduce poverty in extractive sector communities.
- Provide targeted technical assistance to governments for assessment, development and implementation of monitoring and compliance programs consistent with international codes of conduct and self-regulatory frameworks recognized as beneficial in governance of developing countries' extractive sectors.

- Facilitate identification, mobilization and use of Canadian and international technical expertise and experience relevant to improving extractive sector governance in developing countries.
- Interaction with other Centres: technical assistance projects will seek to include in-country capacity building jointly with the Learning and Education Centre, e.g. by having a consultant deliver a training workshop while on mission; identifying high potential officials and other stakeholders for inclusion into longer-term training and the Fellowship program as well as participation in Dialogue meetings. Similarly, technical assistance will seek both to inform and be informed by the activities of the Applied Research Centre, for example through needs assessments and 'lessons learned' for application.
- Facilitate engagement of developing country governments by liaising with: public officials managing extractive sectors, parliamentarians, judicial officials, local authorities, and leaders in extractive production areas.

The Centre will coordinate its activities with relevant international development organizations, bilateral agencies and NGOs to capture synergies and to avoid overlapping or duplicative activities. Ideally, a memorandum of understanding should be signed with all relevant organizations to establish a common activity register.

ii. Applied Research Centre

The Applied Research Centre manages portfolios of research and analysis about extractive resource issues in developing countries including public policy and governance, integrated resource management, poverty alleviation, stakeholder engagement, and economic development and diversification. The Centre will work closely with other Centres in responding to identified needs for applied research into extractive resource governance issues in developing countries. Consistent with the Institute's capacity-building objectives, the Centre will work collaboratively with researchers and institutions in developing countries to identify the problems of an extractive sector initiative in a specific context such that the developed solutions are practical ones. The diversity of issues related to the social and political environment of extractive sectors in developing countries are broad and require a collaborative research approach that directly addresses site-specific problems.

The Centre will undertake the activities listed below in support of its mandate to deliver concrete and tangible beneficial change in the countries and regional areas of interest as directed by the Executive Board.

- Conduct applied research on extractive sector public policy and governance with developing country government and academic research partners.
- Sponsor teams of Canada/developing country researchers to conduct applied research projects on governance and management processes, sustainable integrated resource management, and socio-economic development (including gender and social equality issues) relating to extractive sectors in developing countries.

The coalition members and strategic partners in Canada and developing countries have established relationships and are ready to engage in projects that relate to Institute programming areas for strengthening resource governance in developing countries. The Institute will apply prioritization and evaluation methods that align applied research activities with the mandate and strategic priorities and objectives of the Institute, as well as address needs defined by a continuous process of engagement and dialogue with extractive sector stakeholders in developing countries.

iii. Engagement and Dialogue Centre

The Engagement and Dialogue Centre's program builds upon the successful multi-sector dialogue practices of Coalition members and Strategic Partners. An essential element in the capacity of a government to maximize the national economic benefit available from extractive sectors is its ability to engage influential and concerned constituencies in their country in a process aimed at determining priority capacity needs and reaching support for a shared vision and common strategy for achieving the optimal contribution that resource extraction can make. As such, engagement activities are critical for ensuring that the development and implementation of government

policies, legislation, and regulations are responsive to the real issues that developing countries are facing and are delivered in culturally appropriate ways.

At the request of developing country governments, the Engagement and Dialogue Centre will undertake capacity building activities that support developing country governments to engage in multi-sector dialogues designed to identify country- or region-specific needs related to extractive sector governance issues. The multi-sector dialogue process builds the capacity of developing country officials/staff through knowledge sharing as well as interaction to develop relationships with institutions and stakeholders in their countries' extractive sectors. At the request of developing country governments, the Centre's activities will include organizing and convening multi-sector dialogues and forums as well as providing technical advice and support to strengthen the capacity in developing countries to convene such events on extractive sector governance and management issues.

An important role of the Centre's dialogue activities and outcomes will be to provide critical needs assessment information for the Institute and developing country governments to formulate customized programs for technical assistance, education, and/or applied research.

iv. Learning and Education Centre

Education and skill-building are needed both as a pre-requisite and as ongoing support of long-term change and capacity development to formulate and implement effective regulatory and governance frameworks; and to develop leadership skills and competencies to govern and manage in a manner consistent with best practices in the socio-economic and environmentally sustainable development of extractive sectors. The provision of education for key decision-makers in government and relevant stakeholder groups in developing country extractive sectors is required so that a better understanding of the issues at hand can be created.

As identified by Institute Centres, dialogues, strategic partners or a developing country, the Centre will undertake the activities listed below in support of its mandate to provide learning and education programs to meet extractive sector education/training needs for a developing country.

- Design and deliver training (courses and certificate programs) to government personnel on planning, designing, negotiating and implementing extractive sector codes, and taxation and royalty regimes that are responsive to identified needs and requirements of local contexts.
- Provide education courses in socially responsible economic development (including gender and social equality issues) and environmental sustainability best practices in extractive sectors to government personnel and relevant stakeholders in developing countries.
- Provide a Fellowship and Scholarship Program for developing country government personnel, academics and graduate students to study and undertake learning activities in Canada.
- Develop a repository of extractive sector education curricula, resources and evaluation frameworks.
- Develop an alumni database of participants of all Institute activities and seek to re-engage these alumni via continued learning.

The Centre will mobilize, design and deploy expertise for educational and learning support and will evaluate the impact of these learning interventions. A range of delivery formats will be used to ensure tailored approaches that fit different audiences and contexts. A majority of the programs will be delivered in-country involving local education partners and using country-specific case studies developed through applied research. The Centre will work with developing country education partners to: (i) identify and contract instructional and administrative resources to develop and deliver courses/programmes, (ii) provide technical advice regarding administration of education programmes, (iii) assess effectiveness of education programmes for female/male learners from a variety of contexts, (iv) revise education programmes based on evaluation results.

v. Fellowship, Scholarship and Alumni Program

The Learning and Education Centre will provide oversight to and manage the award of extractives governance fellowships and scholarships by the Institute. The program will target a cross-section of client country stakeholders and be designed in a way that ensures that the program directly benefit in-country, long-term capacity-building.

The aim is to engage ‘fellows’ (broadly referred to as all program participants) across a wide range of Institute activities – needs analysis, applied research, education delivery, advice and communications – while also targeting a cross-section of beneficiaries from government, communities and university partners.

Recipients of fellowships or scholarships are key connectors, boundary-spanners and change agents that will enable ongoing and self-sustained transformation and knowledge transfer far beyond the duration of any particular project, course or provision of targeted technical assistance.

Graduate Student Scholarships: The Institute will offer scholarships for PhD and Masters students from developing countries who wish to come to Canada to study extractive industry governance. In addition to working on selected applied Institute research projects directly benefitting their home countries, this group of student scholars will also play an important role in the development of reports, presentations, guides, learning materials and manuals for use in client countries.

Visiting Fellows: The Institute will invite Fellows to Canada for short term visits. These will be high-level government officials or academic leaders who have been evaluated to be in a strategic position and who have strong capacity to fully implement their fellowship outputs to make a contribution to achieving lasting transformation in client countries. They will already have demonstrated a strong leadership potential, academic excellence and/or community impact. The Fellows will work under the supervision of academic staff and will receive continued coaching and mentoring as they begin to apply their learnings in teaching or implementation of research outputs.

Alumni: The Institute will develop and manage an alumni database which will include participants of all Institute activities and will seek to re-engage these alumni via continued learning. With support from our communications and marketing leads, alumni will receive regular updates, articles of interest, best practices information, policy briefs and news with invitations to upcoming events and dialogues. Funding for travel or engagement in future Institute projects will also be considered.

Principles

The following principles will guide the design and implementation of the Program:

Applicant and selection criteria are in alignment with overall Institute goals. To be considered eligible for a fellowship, applicants must:

- Hold citizenship or be a permanent resident of a priority country or region
- Have the potential to hold/holds an influential position, e.g. as in government, education, or community
- Have high potential to contribute to at least one immediate outcome of the Institute
- Have nomination supported by developing country government and/or institution
- Have demonstrated or potential for strong leadership, academic excellence or community impact

Additional selection criteria specific to focus of in-country program activity:

- Quality of relevant work experience and academic background
- Capacity for critical thought and analysis
- Ability to apply skills and knowledge
- Demonstrated capability to complete projects within an appropriate period of time

- Verbal and written communication skills
- Quality of proposed program of study or Institute work

Selection criteria and nominations for Visiting Fellows and scholarship recipients can also be established in consultation with country partners.

- *Gender equality and inclusivity:* Awards will be consistent with the Institute’s gender and inclusion policies to achieve a broad representation in terms of gender, ethnicity, geographic and disciplinary backgrounds. For this reason, the Institute may also consider creating ‘spousal scholarship programs’.
- *Location:* Fellowships and scholarships can be held at the Institute and/or at coalition and strategic partner Institutions in Canada and client countries.

Since scholarship recipients will also be enrolled Masters or PhD-students, the Institute will create tailored individual learning programs for each student to maximize client-country linkages and benefits throughout. These may include:

- Inclusion of country-specific assignments in courses
- Choice of thesis topics based on established national and regional priorities
- Applied research directly tied to Institute projects
- In-country internships and field-work linked to Institute activities

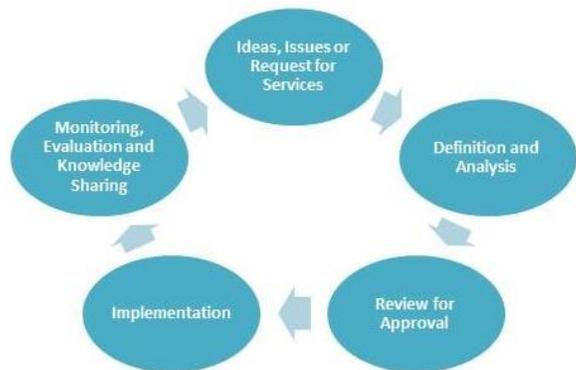
Fellows and scholarship recipients from developing countries will provide the Institute a critical opportunity to nurture ambassadors who will contribute to the Institute’s mandate and vision. As a future generation of leaders in developing countries, these individuals are vital as key connectors and change agents for effective extractive sector governance and management in their countries.

b) Needs Identification and Assessment¹

The Institute will use an integrated process model to manage its collaborations in developing countries. It will make use of a simplified program management cycle that includes the five following stages:

- Ideas, Issues or Request for Services
- Definition & Analysis
- Approval
- Implementation
- Monitoring, Evaluation & Knowledge Sharing

The Institute is organized as a capacity-building network of world-class expertise in extractive resource governance to respond to requests for assistance from developing countries to enhance their capacity to utilize and benefit from their extractive sectors with the goals of sustainable economic growth and poverty reduction. The Institute will provide a means for developing country governments to access Canadian and international expertise and to obtain support of their own efforts through the delivery of practical and results-oriented initiatives. All programming will be undertaken under the leadership of, at the request of, in consultation with, or with the support of, developing country national or regional governments. The experience and capacity of the Institute to combine technical assistance and learning and education programs with program-focused needs



¹ This section of the business plan has been updated to reflect language in the Institute’s Implementation Plan.

assessment and multi-stakeholder dialogues enables the Institute to respond flexibly and effectively to requests for support from developing countries.

Initial assessment and scoping by the Institute may include inquiries and consultation with developing country governments, feasibility studies, opportunity/needs assessment, resource and budget mapping etc. It could also include activities such as dialogue, applied research and short courses that create a foundation and allow for an initial capacity assessment. Needs identification and assessment will be sensitive not only to country-specific context but also more broadly to the key challenges of different extractive sectors, types of resources involved and modes of production. Such an approach will help to better identify and address concrete opportunities and challenges, and to be more discerning about the possibilities for replicating and diffusing lessons learned from individual initiatives.

In addition to soliciting and receiving incoming requests or referrals, the Institute will identify opportunities where the Institute can have a high degree of impact, building on networks and the knowledge base within countries that are already known to the Institute and its members. Institute leadership will initiate outreach with high level government leaders in these identified countries and/or programming areas to build relationships and awareness of the Institute's programming and how it can contribute to strengthening resource governance. Engagement with government personnel, knowledge leaders, extractive sector stakeholders and champions (including fellows and alumni) and our strategic partner network will assist the Institute in discovering and eliciting prospective programming opportunities.

Program and program opportunities and requests will be screened by the management committee to ensure coordination with all centres. Opportunities and requests offering the most potential to meet the approval criteria (see below) will be further analyzed.

c) Definition and Analysis

The definition & analysis stage of the program cycle involves an in-depth review of the opportunity or request by the Management Committee. Key elements of program planning will be defined including, among others, objectives, identification of main components, implementation schedule and budget. This stage will culminate with the preparation of an Executive Board approval document. The document will include, at least, the following elements:

- Program or Program Name
- Lead Centre; Contributing Centres
- Region and/or Country
- Resource Sector
- Country and Sector Background
- Objectives
- Justification for involvement
- Description
- Implementation Plan
- Budget and Financing
- Sustainability, Environment & Gender
- Lessons learned from previous initiatives

This concise document will include the recommendations of the management committee and will be supported by appropriate documentation whenever required or appropriate. Results-based management approach and its main working tools will be used to plan, manage, monitor and evaluate each individual activity/ program/ initiative. Results-based management (RBM) is a life-cycle approach to program management. It focuses on achieving outcomes, defining realistic expected results, identifying beneficiaries, designing programs to meet the needs, managing risk, monitoring progress and evaluating performance. Program management tools that will be used include the Logic Model, work breakdown structure, Gantt chart, Performance Measurement Framework, and Risk Register. The RBM approach and its tools will be adapted to the scope and size of programs, programs and initiatives undertaken by the Institute. They are bound to evolve as more comprehensive programs are undertaken.

d) Program Selection

The Institute will implement an ethical, rational and neutral process in order to effectively make and approve programming recommendation. The process will be aligned with our vision, mandate and core values. The approval procedure will be kept as straightforward as possible and will be based on a number of pre-determined criteria. When appropriate, programs will be referred to the Advisory Council for additional advice.

The Institute has developed guidelines for program selection that are framed by the Institute's vision to improve the ability of developing countries to utilize and benefit from their extractive sectors in order to stimulate sustainable economic growth and reduce poverty. In keeping with country-level and regional priorities, and coordinated with input from the Advisory Council and Strategic Partners, the Executive Board will make program selection decisions based on criteria such as:

- Alignment with Institute mandate and objectives
- Led, requested or supported by national or regional governments
- Impact on government capacity
- Efficiency and cost effectiveness
- Sustainability
- Replicability and transferability
- Budget needs, including leveraging in-kind or cash support
- Assessment against risk management strategy (e.g. human resources, capacity, environmental, health and safety, political climate, human rights, etc.).
- Located in a high priority country/region
- Contribution to cross-cutting themes

Criteria that would prevent program selection include elements such as:

- High risk
- Negative impact on credibility of the Institute
- Questionable feasibility/impact
- Duplicative

The management committee - which includes the Executive Director and Centre Directors - is responsible for program identification and assessment, definition, implementation and monitoring, and evaluation. The Executive Board is responsible for approval of programs. The Executive Director can approve activities associated with identification and assessment, and definition with the following constraints.

e) Country/Region Selection

The Institute has drafted a three-tiered approach to country/region focus and prioritization which will provide a systematic way of assessing where the Institute can and should engage. The Institute will follow Canadian and international processes and policies when considering programs or engaging in activities in countries facing or subject to economic sanctions or embargoes. Country/region prioritization will be reviewed on an annual basis by the Advisory Council and Executive Board so that the Institute can be responsive to emerging opportunities.

This is a flexible model that will be refined further in the first year to determine weighting of criteria so that it can be used as a comprehensive decision-making tool to help ensure maximum impact of the Institute's objectives. The model will also be updated regularly as the Institute develops contacts through current and future strategic partners over time.

Country Prioritization Model

TIER A: High potential to develop programs across two or more of the Institute activities.

- Importance of mining and/or oil and gas to country (defined as high and current, or as fast rising or shortly to be expected, extractive sector dependence).
- High levels of poverty, as well as income and gender inequalities.
- High or improving governance quality and government capacity suggesting an ability to effect change.
- Approach of government to resource governance is officially consistent with Institute's values, suggesting political motivation and policy interest for poverty-alleviation directed reforms and extractive sector management improvements
- Long-standing history of collaboration in resource governance with key partners; existing high-level relationships with national and regional government, NGO, academic, community, or industry working in extractive sector development. Yet marginal-value of new programs needs to be high and lessons from previous related activities need to be assessed.
- Cohort of activities already underway in extractive sector development: academic, NGO, DFATD, IDRC, etc., that are anchored in the government's development strategy of the developing nation. Clear synergies and complementarities need to be identified, and duplication/overlaps avoided.
- Strategic priority areas and objectives in extractive sector development have been identified by developing country stakeholders.
- Significant presence of Canadian capital investment in the extractive sector in a DFATD country of focus or other significant bilateral relationship.
- Opportunity for high-level, long-term engagement; influence environmental sustainability; and/or engagement with local academic partners.
- Programming can be sufficiently targeted to ensure efficiency and effectiveness. Relative absence of existing capacity building initiatives funded by other institutions for which the Institute's activities would be duplicative.
- Ability to leverage funding or in-kind support.

TIER B: Good potential to engage across some of the Institute activities.

- High levels of poverty and high income and gender inequalities.
- Importance of mining and/or oil and gas to country.
- Institute members and partners have developed a range of relationships with national and regional government, NGO, academic, community, or industry.
- Range of relationships is comprehensive enough that implementation of the Institute's activities could be efficient and effective.
- Needs analyses/identification of priority areas by developing country stakeholders in process or anticipated.
- Approach of government to resource governance is consistent with Institute's values.
- Programming can be sufficiently targeted to ensure efficiency and effectiveness.
- Ability to leverage funding or in-kind support.
- *Note:* Tier 2 may include 'fragile' states or crisis affected communities where short-term engagement may yield high benefits for the local population.

TIER C: Countries that the Institute may service in conjunction with Tiers A & B

- E.g. training, course participation, dialogue at marginal cost. Scoping studies and ad hoc applied research and technical assistance can be provided in 'high opportunity' countries, e.g. major resource discovery, new government, political opening.
- Institute members and partners have limited (if any) relationships with national and regional government, NGO, academic, community, or industry.
- Traditionally low potential for high-level, long-term engagement.

E. Organizational Structure

a) *Institute Governance Structure*

i. **Legal Status**

The Institute will be established as an internal institute within UBC. While the Institute maintains its own governance model to ensure programming independence as it relates to the mandate of the Institute and to ensure adherence to that mandate in the ongoing stewardship of its operations, the Institute functions under the governance structure of the university. The operations of the Institute will be governed by the terms of the Institute Governing Agreement, the CIDA funding agreement, the policies and procedures of UBC, and policies developed for the Institute. UBC will act as the legal entity for the purposes of entering into contracts, employment relationships, and financial management.

ii. **Coalition Member Governing Agreement**

An Institute Governing Agreement will be established between UBC, SFU, and EPM. The Institute Governing Agreement will set out the guiding principles, governance and organization terms, and institutional commitments, rights and responsibilities. In particular, the institutions will have the sole right to appoint the Executive Board.

iii. **Executive Board**

The Executive Board is the governing body of the Institute responsible for overseeing that the Institute is in accordance with the terms of the Institute Governing Agreement, the CIDA funding agreement, and the policies of the institutions. Board member votes on decisions will be recorded.

Board Size: 5 to 9 members

Composition:

- Up to 2 representatives from UBC
- Up to 2 representatives from SFU
- 1 representative from EPM
- Remaining representatives drawn from industry, government and NGOs
- Executive Director (ex officio, non-voting)

Term: 3 years (with staggered membership). Maximum of two concurrent terms.

Chair: By election of the board

Meetings: Four per year (at least one in person)

Duties:

- Ensuring adherence to the mandate of the Institute
- Determining the strategic plan, initiatives and objectives
- Appoint the Executive Director
- Appoint the Advisory Council
- Reviewing the recommendations of the Advisory Council and the Management Committee
- Providing oversight and guidance on the management of the Institute operations
- Approving Institute business plans, budgets and financial reports
- Ongoing review of performance benchmarks

Initially, the Board will have fewer than the allocated number of members and will be responsible for the establishment of the Institute. The designated Interim Board Chair is the Dean of the Beedie School of Business. Executive Board membership will change with time to meet the operational needs of the Institute. The Board

composition for the coalition members will include the UBC Head of the Keevil Institute or their delegate, the SFU Dean of the Beedie School of Business or their delegate, and the EPM Head of the Mining Program or their delegate.

iv. Advisory Council

The Advisory Council will be convened by the Executive Board. This non-governing body of the Institute will have an advisory role with decision-making authority remaining with the Executive Board. The Advisory Council will be constituted and operate in the following manner:

Council Size: 8-12 members

Composition: Senior representatives from government, industry, academia, and international organizations focused on economic development and poverty reduction, and development and environmental NGOs who have experience in public policy and government responsibilities related to extractive sector issues in Canada and/or developing countries. At least one member will be a person of Aboriginal descent, and one membership appointment has been designated to CIDA. Representatives from the Executive Board will attend Advisory Council meetings in an ex officio, non-voting capacity.

Term: 3 years

Meetings: 2 per year (at least one in person)

Duties:

- Advise the Executive Board on issues that have the most significant impact on the accomplishment of the Institute's mission and strategy
- Assist in the development and ongoing review of the Institute's strategy, objectives, and priorities
- Represent the multiple views of stakeholders in international extractive sector issues
- Communicate and advance the Institute's vision and programs to external constituencies such as governments, non-governmental organizations and industry

v. Management Committee

The Management Committee is comprised of the Executive Director, Activity Centre Directors and the Institute Development and Management Director who meet every four to six weeks to review and discuss various aspects of the operations of the Institute including:

- Identify and adjust priority activities, including communications, marketing and knowledge exchange
- Effective planning of the Institute's initiatives in keeping with its vision and mandate
- Ensure program integration and collaboration, environmental stewardship and gender equity
- Financial and budgeting review
- Make recommendations to the Executive Board on emerging opportunities
- Ongoing review of outcomes on a consistent and regular basis

vi. Relationship with Host Institution

UBC, SFU and EPM are corporations and are limited to those powers and functions provided by their provincial legislatures. The respective Board of Governors, senate, university Presidents, faculties and schools all have roles in the governance and day-to-day university operations that are defined by the Act. UBC's Associate Vice President Research & International, SFU's Vice-President of External Relations, and EPM's Vice President Academic and International provide administrative oversight of CIDA-funded activities. These senior administrators will receive copies of annual reports from the Institute and meet annually with the Executive

Board to discuss development issues including ethics, environmental sustainability, partnership agreements and roles, gender equity, diversity and safety abroad. UBC's Office of Research Services oversees the administrative functions of all international development accounts: establishing accounts and spending limits in accordance with granting policies, ensuring compliance with government regulations and granting agency requirements, and establishing inter-institutional arrangements for fund transfers where applicable. The VP Finance, Resources and Operations oversees a range of services including reporting, enterprise risk management, and research and trust accounting to ensure compliance with funding agency and accounting policies. UBC's University Industry Liaison Office implements institutional agreements and contracts, consistent with requisite funding agency terms and conditions.

b) Operational Leadership Structure

Led by an Executive Director, the Institute serves as a hub for Activity Centres which provide specialized functional programming and governance capacity building services on a program and project basis for stakeholders in the extractive sectors of developing countries. Centre Directors are responsible for the management and coordination of each Centre's functional programming and project activities. The Centres are fully integrated and regular Management Committee meetings will ensure communication and iterative dialogue between the Directors.

i. Executive Director

The Executive Director leads a results-based multi-disciplinary team of educators and researchers and works collaboratively across a global network of institutions and strategic partners. This full-time position is responsible for the launch and growth of the Institute including: leadership in its mission, strategic direction and priorities; liaison with and expansion of the Strategic Partner Network, government relations; oversight of the Activity Centres including integration, environmental sustainability and gender equity; policy advisement to the Executive Board; liaison and established working relationships with senior officials within international governments, academic institutions and NGOs; and promotion of Institute goals and objectives nationally and internationally. The role requires a person with at least ten years experience in extractive industries sector issues working in international development and qualified for an academic appointment at UBC. The Executive Director will have diverse experience and networks and reputation in research and pedagogy related to governance processes in the extractive sector in developing countries and demonstrated ability, leadership and interpersonal skills to build and manage a complex institute and strategic partner network.

An executive search firm will be commissioned to work with the Executive Board to recruit a permanent Executive Director. The Institute will appoint an Acting Executive Director in the interim.

ii. Activity Centre Directors

Director, Advisory Centre: This Director has primary responsibility for the design, development and assessment of effective technical advisory projects comprising of legal and policy advice in the form of technical assistance on legal reviews, regulatory design and implementation. For some projects the Director intervenes directly in the provision of in-country technical assistance. The Director will have a strong legal background, extensive international experience in extractive sector regulatory policy, and the necessary skills to liaise with senior government officials in developing countries. The Advisory Centre Director will be a priority appointment for recruitment. In the interim, Dr. Malcolm Scoble (Professor, Robert E. Hallbauer Chair in Mining and Sustainability) - who will be an Advisor to the Institute - will serve as the Advisory Centre's Acting Director, supported by advisors identified through UBC's Liu Institute for Global Studies.

Co-Directors, Applied Research Centre: The Co-Directors are responsible for identification of strategic program opportunities, oversight of applied research project portfolios including project design, and formulation of objectives and success measures. Co-Directors of this Centre will be Dr. Marcello Veiga (Professor, UBC Norman B. Keevil Institute of Mining Engineering) and Dr. Richard Simon (Director, EPM Mining Engineering Program).

Director, Engagement and Dialogue Centre: This Director is responsible for oversight of projects involving stakeholder engagement and dialogue, design and development of dialogues and assessment of outcomes and objectives. This position will be held by Mr. Glenn Sigurdson (Q.C.) who is Chair of the Responsible Mineral Sector Initiative, adjunct professor in Beedie School of Business, and Senior Dialogue Associate of the Morris J. Wosk Center for Dialogue at SFU.

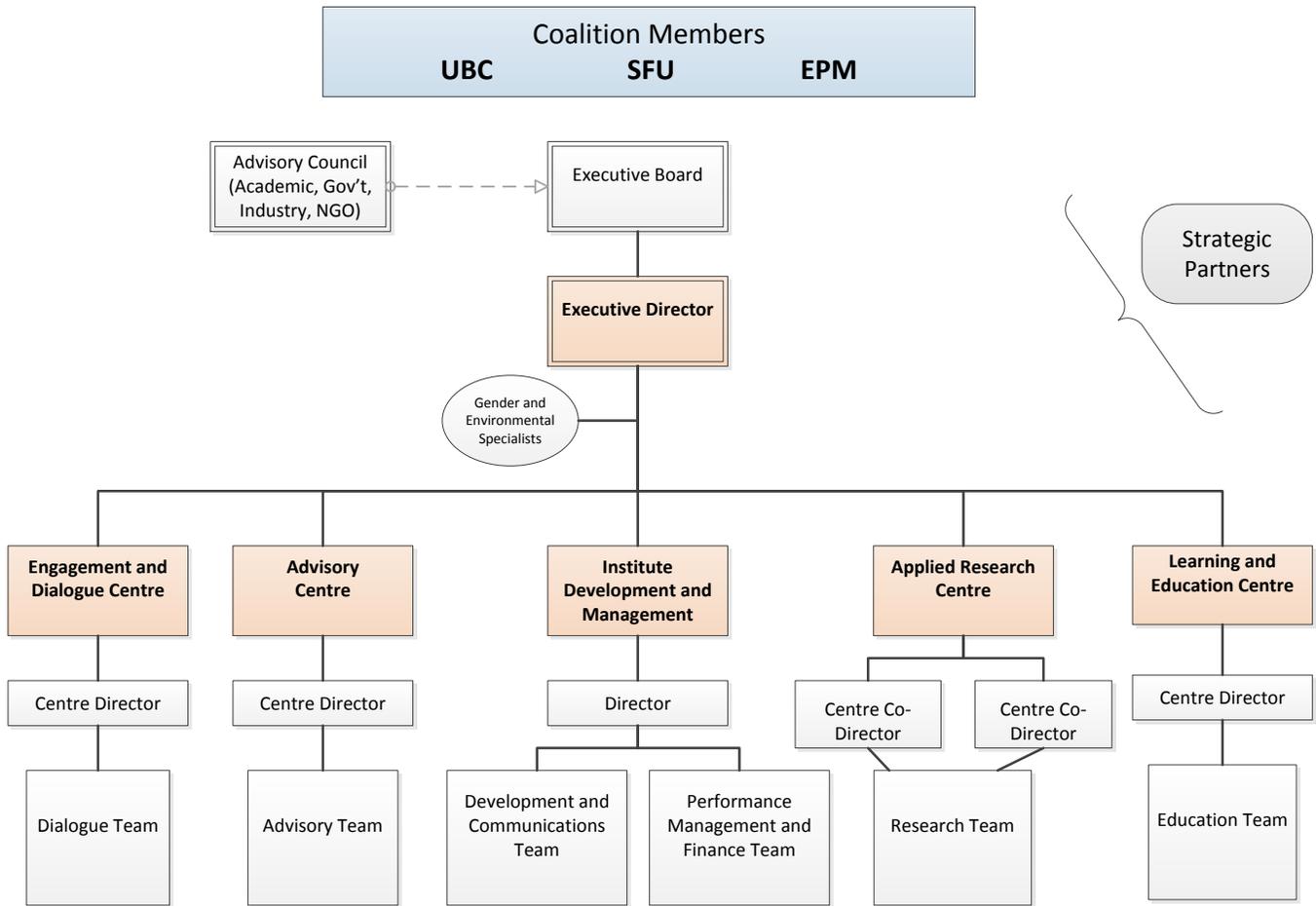
Director, Learning and Education Centre: This Director is responsible for identifying program delivery opportunities, contributing to learning and program designs, setting realistic learning objectives and outcomes, and overseeing efficient delivery of courses and programs. The resource for this position is a new Professorship in Sustainability in the SFU Beedie School of Business. Dr. Kristina Henriksson (Managing Director of Executive Education; Adjunct Professor, SFU Beedie School of Business) will serve as Acting Director pending recruitment of the chair, after which she will be Assistant Director of the Centre.

École Polytechnique (EPM) will play a key role in the Institute's learning and education initiatives. A Senior Project Manager will be hired at EPM, with Ms. Line Dubé (Director, EPM International Relations Office) seconded to the Institute in the interim.

iii. Director, Institute Development and Management

This Director will provide leadership and direction to ensure financial control and accountability on a day-to-day basis, as well as play a key role in promoting Institute business development and advancement through public relations, marketing and fundraising initiatives. Ms. Jacqueline Smit (Senior Officer, International Research Initiatives, UBC Office of the VP Research & International) will be Acting Director until a permanent hire is secured. She will play a pivotal role in working with the Executive Board to establish the day-to-day procedures and policies of the Institute and provide support in the recruitment of permanent staff.

c) Organization Chart



d) Institute Location

The main administrative office for the Institute will be physically located in Vancouver at UBC’s Point Grey Campus, with offices at SFU Beedie School of Business (downtown Vancouver) and at EPM in Montreal. While Institute activities and staff will be integrated across the three sites, UBC will host the Advisory Centre and the Applied Research Centre; SFU will host the Engagement and Dialogue Centre and the Learning and Education Centre; and EPM will serve as an eastern Canada hub and co-host of the Applied Research Centre. The Institute will rely extensively on electronic communication channels (e.g. videoconference, teleconference, email, Skype, etc.) across geographic locations.

F. Operational Implementation Plan

a) Establishment of the Institute

Upon signing of an agreement with CIDA, the coalition will begin the process of establishing the Institute. This phase encompasses startup of all of the operational functions required to be in place in the first year of operation to support the program delivery functions of the Institute. The main deliverable scheduled for this startup phase is the Institute Implementation Plan along with the Performance Measurement Framework. Other deliverables include a Gender Analysis, a Strategic Environmental Assessment, Technology Systems, and Human Resource Plan.

b) Gender Analysis

The Institute will produce a Gender Analysis and integrate it in the Institute Implementation Plan. This Gender Analysis will collect gender-sensitive baseline data; obtain information on women's needs and interests with respect to the Institute's general policies and strategies, and the various Activity Centre programs; identify constraints to women's capacity to benefit from the Institute activities; and adopt measures that will be spelled out in a Gender Equality Strategy. This Strategy will guide the implementation of various projects and initiatives, as well as identify the actions required to promote gender equality, stakeholders that should be involved, results to be achieved, human and financial resources required as well as indicators for appropriate monitoring.

Coalition members have approved existing equity policies including Employment Equity, Discrimination and Harassment and Advertising of Position Vacancies. The Institute will apply the same equality principles to its internal operations as part of a well-defined strategy.

Nathalie Pelletier (Senior Advisor, Bureau des relations internationales at EPM) will have an oversight role for gender issues at the Institute and, in that role, will examine internal operations and key gender issues in extractives governance and program activities. Mme. Pelletier will work with a specialist from our strategic partner, CARE Canada, to conduct a Gender Analysis concurrently with the Strategic Environmental Assessment. When appropriate participation of local women's organizations will also be sought.

c) Strategic Environmental Assessment

The Institute will prepare a Strategic Environmental Assessment and an Environmental Management Plan and integrate these into the Institute Implementation Plan. These two documents will address the overarching environmental management policies and guidelines for the Institute, as well as the environmental management functions including waste management, recycling, greenhouse gas, etc. All activities of the Institute will be evaluated against these policies and guidelines.

Environmental assessments of the Institute's initiatives and projects will also be carried out. All project managers will complete set-up forms and checklists when new projects are initiated to categorize the project/initiatives in terms of environmental impact. This information will be used to determine the scope of the environmental activities (including baseline data collection, monitoring and auditing) that will be required throughout project implementation. Project reporting mechanisms will also be established and monitored.

Coalition member institutions have in-house expertise to produce the Strategic Environmental Assessment and Environmental Management Plan and ensure positive impact on the environment of the Institute activities. Dr. Dirk van Zyl (Professor and UBC's Chair of Mining and the Environment) will be the environmental technical lead. Other in-house environmental specialists are also available to provide additional support if required. Due to the wide geographical distribution of the Institute's projects, regional contacts will be contracted on an as-needed basis to advise project teams with respect to cultural aspects, local regulatory awareness and logistics. If needed the Institute could also call upon the expertise of Strategic Partners to support regional and country specific implementations of project environmental plans and in operational programming.

d) Financial and Procurement Policies

Coalition Members are all public institutions under provincial government jurisdiction and are subject to strict financial, procurement and reporting policies. Procurement policies provide value-added and customer focused services. The objective with respect to procurement is to ensure that goods and services are acquired in a fair, transparent and non-discriminatory manner that reflects effective utilization of resources while maintaining high legal, ethical, and professional standards. Financial and reporting policies complying with Coalition Members' legal obligations will be developed and implemented at the start of Institute operations.

A Finance and Audit Committee will be established to oversee the financial affairs of the Institute and implementation of financial and accounting policies and procedures consistent with the purpose of the Institute. The Audit Committee will meet with management, internal and external auditors to discuss the results, examinations and financial reporting matters, and to make recommendations to the Executive Board regarding appointment, compensation and retention of the external auditors as well as other independent counsel or advisors determined necessary to carry out its duties.

e) Technology Systems

The primary technology platforms used by the Institute will include a website connected to diverse content delivery streams and managed by a robust content management system capable of handling a variety of media types, including social media. The Institute will maintain a secure portal linked to the website suitable for distributed management and access; provision of online e-Learning and portfolio services for learners and project participants; and capable of hosting Webinars, presentations and remote collaboration environments and integrating with wireless communications systems. Special measures will be taken to ensure that partners from developing countries have access irrespective of the level of technology in use. Wherever possible, open-source systems will be used as the technology platform of choice. Tools that may be integrated to manage the diverse and distributed initiatives of the Institute include a global project/portfolio management system, a contingent staffing and competency assessment tool, and a performance management system. The Institute will also develop and manage an alumni database designed to be inclusive of participants of all Institute activities.

To assist with the creation of content management systems and data sharing tools, the Institute will consult a Business Analyst to assess anticipated processes, needs, and desired outcomes. Once baseline requirements have been established, the Institute will further collaborate with the Analyst to review an appropriate menu of customizable tools and select the technology applications that are best suited to our needs. Consideration in this process will also be given to factors such as ongoing maintenance costs, day to day support needs, accessibility, infrastructure, and the ability to add in future options or link with other databases or web-based tools.

f) Human Resource Plan

The Coalition Members will provide the administrative support for the human resources management activities of the Institute. Key skills and technical capacities required by the Institute include:

- Capacity-building expertise and administrative experience associated with deployment and management of large, distributed international projects in developing countries
- Proven ability to collaboratively deliver technical assistance and applied research in the programming areas concerning governance processes in the extractive sector in developing countries
- Demonstrable ability to convene multi-stakeholder dialogues and deliver education programs customized for national and regional extractive sector participants in developing countries

i) Coalition Member Skills and Technical Capacity

UBC, SFU and EPM have identified faculty members and associates who have the requisite expertise and experience for delivering technical advice, engagement and dialogue, education and training, and applied research in the core programming areas internationally.

UBC, SFU and EPM will establish the following Chairs to support the work and leadership of the Institute:

- UBC will provide a co-Director of the Applied Research Centre, and Chairs that will bring leadership in the Advisory Centre and the Learning and Education Centre
- SFU Beedie School of Business will provide a Chair who will be Director of the Learning and Education Centre
- EPM will provide a Chair who will bring expertise in Integrated Resource Management as co-Director of the Applied Research Centre

In addition, as of the September 2012 submission date, some 80 faculty members were identified as having relevant extractive sector expertise/experience in Canada and internationally to contribute to meeting the mandate of the Institute. These include the following units of these three institutions:

1) UBC

- Norman B. Keevil Institute of Mining Engineering
- Liu Institute for Global Issues
- Faculty of Law
- School of Community and Regional Planning
- Department of Political Science
- Department of Earth Ocean and Atmospheric Sciences

2) SFU

- Beedie School of Business
- Faculty of Health Sciences
- School of Public Policy
- Faculty of Communications
- Faculty of Environment
- Wosk Centre for Dialogue

3) EPM

- Industrial NSERC Polytechnique-UQAT Chair on Environment and Mine Wastes Management
- Research Center on Water Treatment for drinking water and wastewater
- Interuniversity Research Center for the Life Cycle of Products, Processes and Services
- Chair Marianne-Mareschal to Promote Engineering as an Attractive Career Choice for Women
- Jarislowsky-SNC-Lavalin Chair in International Project Management
- Canada Research Chair in Ergonomics, Health and Safety
- Research Centre in Process Engineering
- CIRANO

This is a preliminary list of the expert resources available/committed to the Institute. Since the November 2012 announcement, we have received numerous expressions of interest from other faculty members and graduate students. A database of individual expertise is being established and updated on a continuous basis as inquiries are received and new faculty members are recruited to our institutions.

ii Strategic Partner Network

Our Strategic Partner Network complements and expands the expertise and experience of the coalition members to ensure that the Institute can ably fulfill its mandate and continue to evolve with new opportunities. This network's breadth and capacity makes it a critical engine of discovery for leadership potential and possible new programs and projects.

The coalition has developed additional strategic partnerships with both Canadian academic institutions and international universities; domestic and international governments; inter-governmental organizations; NGOs; advisory services; and extractive industry companies. The nature of support of different strategic partners varies and includes in-kind contributions (e.g. staff time, materials and equipment, facilities) and/or cash contributions. Appendix 2 [Confidential] provides a complete list of strategic partners which pledged support for the Institute as of September 2012.

Strategic Partners provide contributions to the activities of the Institute including strategic and/or programmatic engagement. Strategic partners may play various roles within the Institute. They have been grouped under four main different categories. **Funders/Sponsors** provide financial support to the Institute, but are not contributing in specific ways to the programming and implementation of activities of the Institute. **Collaborators** include organizations and individuals providing substantive contributions to the Institute, engaging in Institute activities in a project or beyond the scope of a single project. Collaborators may contribute to the design and implementation of projects, with in cash or in-kind financial and staff contributions, and through the sharing of logistical and communication assets. **Consultants** include organizations or individuals assisting in service delivery by the Institute, whether on a pro-bono or fee basis. **Institute Beneficiaries** include developing country governments who could also be providing in-kind or cash support, exclusive of recipient country employee salaries.

Activities with Strategic Partners will follow procurement policies to ensure value for money is obtained. Coalition Members are all public institutions under provincial government jurisdiction and are subject to strict procurement policies and reporting requirements.

Although the current Strategic Partner network is extensive, the Institute will continue to identify potential expertise and Strategic Partners who can further strengthen the Institute's technical experience and experience relating to extractive sector governance and management, e.g. oil & gas sector.

iii Engagement Strategies

The Institute will formalize its relationship with strategic partners through Terms of Reference and where required, a Memorandum of Understanding (MOU), to ensure that each partner has a clear understanding of its relationship and reporting procedures to the Institute. The MOUs will identify requisite conditions and establish guidelines for communications about any Institute program in which the Strategic Partner is involved. The structure of collaboration between the Institute and Strategic Partners will take various forms, ranging from cash or in-kind contributions, to delivery of complementary programs, to hosting of fellows, to serving as a location for selected activities, etc. Whatever the form of collaboration, the Institute will have ultimate responsibility for any program that is to be officially described as an initiative of the Institute.

The Institute will develop a database inventory to draw on relevant expertise available in-house and through Strategic Partners. The capacity of each Strategic Partner will be reviewed to ascertain its particular expertise, its preferred programmatic approaches (education, research, advisory services, or dialogue), and its specific country familiarity. The database will enable the Institute to quickly identify potential sources of expertise available. Cost effectiveness will constitute a guiding principle with respect to sourcing expertise.

The Institute will encourage and facilitate collaboration on capacity building programs with our Strategic Partners. The Institute will distribute to appropriate Strategic Partners the terms of reference for capacity building programs that are under consideration. The Institute will encourage an exchange of perspectives on the work of the Institute and the role of partners to enable networking and to be responsive to emerging opportunities.

iv Strategies for Attraction and Retention of Expertise

The ability to attract and to retain key personnel, and to build capacity and sourcing arrangements with Strategic Partners and in developing countries will be critical success factors for the Institute. The Institute will develop competency-based descriptions and portfolio management for permanent positions and incumbents in its organizational structure and for the contingent resources required to staff projects and programs. The competency portfolios of the Institute will be integrated with its content management system to enable gap assessments of the delivery capacity and capability of available resources from the Institute and the Strategic Partner Network. Ongoing project and program specific expertise gap assessments will inform outreach to new Strategic Partners and expert resources in Canada and internationally to effectively meet developing country requests for assistance. In addition, the high-profile public commitment of UBC, SFU and EPM to the Institute will serve to attract new faculty and associates with expertise in extractive sector governance in developing countries.

Fellowship and Scholarship Program: This program will establish an incentive structure of engagement and training of developing country champions at the national and regional levels in extractive sector disciplines for governance. The program will be dedicated to improvement in shared knowledge mobilization processes, and building of capacity and global networks of knowledge.

Specific recruiting incentives (e.g. spousal awards) will recognize the benefits of attracting culturally diverse candidates (e.g. female and aboriginal experts). Strategic recruiting initiatives will be coordinated with initiatives undertaken by the various Centres of the Institute with a commitment to ensuring ongoing contributions to their home countries upon completion.

Gender Sensitivity: University-wide recruitment at UBC, SFU and EPM now require the inclusion of proactive measures to attract and encourage participation of a broad and diverse pool of potential candidates. Recruitment is based on principles of objectivity and transparency. Specific recruiting programs will implement strategies recommended by the gender assessment delivered for use by the Institute.

Linguistic Diversity: All human resources position postings will be presented in the two official languages and any other language appropriate for the location of the posting. Translation services will be made available for Institute programs and activities as appropriate.

G. Networking and Partnership Plan

At the core of the Networking and Partnership Plan is an annual strategic communications plan that will describe how the Institute's activities and expertise are to be shared with developing country governments and stakeholders, as well as knowledge exchange that is central to the success of the Institute's ongoing growth and relevance. In addition to documenting current research and activities to clarify opportunities and challenges, the plan will describe the Institute's communication needs, goals, measurable objectives, audiences, key messages, and the strategies and tactics for communicating the Institute's activities to these beneficiaries and stakeholders. Communication objectives will be evaluated against assessments of gender equality and environmental sustainability, and will consider the client-driven and collaborative nature of the Institute's work, with an emphasis on two-way exchanges of knowledge and understanding. Best practices will be followed with careful consideration of the dynamic and evolving process required to develop governance standards. Measurement and evaluation of the plan's effectiveness will inform revised strategies and objectives to be developed for the following year.

a) Environmental Scan

The Institute will undertake a survey of current international development organizations involved in the resource extraction sector (CIDA, IDRC and tri-agency organizations (SSHRC/NSERC/IDRC, etc.) to identify current and relevant databases, modes of communication, expertise, and activities. This scan of existing resources will be used to determine gaps in knowledge and existing needs to be addressed by the Institute.

b) Communication and Networking Activities

The Institute will develop and implement a knowledge-sharing strategy and policies for coordination/communication across Activity Centres to ensure effective and coordinated communication with developing country governments, international groups and professional networks. For example the Advisory Centre will make use of existing listserves (e.g. NARMA), and partner with Natural Resource Charter, RWI and the World Bank using the Electronic Database for the Governance of Extractives (EDGE) to facilitate access to relevant documents such as technical reports and policy briefs.

The Institute will leverage the Institute Alumni Program (representing participants from developing countries who have participated in Institute programs), the Advisory Council and the Strategic Partner Network on tactical communications. Social media tools and online forums for one-to-one, and one-to-many, communications will be used to catalyze initiatives and to promote knowledge dissemination and sharing with extractive sector stakeholders and Strategic Partners. Mini-websites and YouTube content will be used to target specific themes that arise from Activity Centre engagement. Communications networks will be established with developing country governments and specialized units of international development organizations and international financial institutions such as World Bank 'Sustainable Energy, Oil, Gas and Mining Unit' and 'Extractive Industries Technical Advisory Facility', and bilateral donors such as NORAD/Oil for Development, AusAid/IM4DC, UKAid-DfID and USAID.

Following are examples of communication activities that could be implemented by the Institute:

- Create an online Project Database to expedite knowledge sharing
- Develop an active networking program
- Attach a pre-conference event to annual major global conferences
- Create ongoing online symposia and short-format training programs
- Schedule speaking engagements for Institute leaders at partner events across Canada and international venues
- Provide video talks by Institute leaders to conferences and organizational meetings to reduce greenhouse gas emissions

- Develop the Institute's website for developing country governments and stakeholders to find relevant information
- Provide online project sharing tools to encourage developing country governments and partner collaboration
- Engage developing country governments and partners through Director-led blogs and e-newsletter
- Publish papers in relevant academic and industry journals
- Utilize social and regular media to develop and grow developing country governments and partner relationships, promote events and provide news and visiting Fellows postings

H. Monitoring and Evaluation

a) Performance Management

The Institute will use the CIDA Results-Based Management (RBM) Performance Measurement Framework (PMF) for monitoring its performance. The CIDA PMF tool assesses organizational performance using eight attributes: expected results, indicators, baseline date, targets, data sources, data-collection methods, frequency, and responsibility. Expected results for the Institute (ultimate outcome, intermediate outcomes, and immediate outcomes) have been defined in the Logic Model shown in Appendix 1. Outputs will be defined during preparation of the Institute Implementation Plan. An initial set of activities has been identified (in a Work Breakdown Structure format) and used to identify significant milestones for the Institute. These main milestones are presented in a bar chart shown in Appendix 3. Main target dates identified are the following:

Activity ²	Target date
Signing of Contribution Agreement	May 24, 2014 (completed)
Establishment of Executive Board	June, 2013 (completed)
Coalition Member Governing Agreement	July 17 2013 (completed)
Interim Executive Director appointed	July 8, 2013 (completed)
Executive Search Firm appointed re: ED position	July 2013 (completed)
Institute Implementation Plan submitted to DFATD	October 2013 (completed)
- First Year Workplan	
- Gender Analysis and Gender Equality Strategy	
- Environmental Strategic Assessment	
- Environmental Management Plan	
- Performance Measurement Framework	
Institute Media Launch	January 2014
Hiring of permanent Executive Director	April 1, 2014

A detailed reporting schedule can also be found on the bar chart in Appendix 3.

Preliminary quantitative and qualitative indicators have been identified for immediate outcomes. They will be refined during preparation of Implementation Plan. Indicators identified include:

Immediate Outcomes: Technical assistance requests from developing countries; technical assistance projects completed; number of developing country governments assisted; government personnel and other participants assisted; education programs delivered (in Canada and in-country); participants (by category) in programs, fellows in program, scholarships awarded, alumni; research projects completed, countries active, regions active; number of dialogues convened, number of participants in dialogues.

Indicators measuring sustainability of the Institute will also be identified. They will include, among others, elements such as funds committed, number of Strategic Partners and number of countries in which activities are taking place. Reporting on Institute sustainability will be submitted separately from the reporting on development results.

² Milestones have been updated since the original submission to reflect current activity.

In an assignment such as the creation of an Institute it is understood that the indicators may change over the life of the Institute. Baseline data will be collected during preparation of the Implementation Plan. Data sources for obtaining measures of the indicator(s) might be governments (beneficiaries), multi-lateral organizations, statistical reports or government documents. Data will be collected by diverse methods such as statistical analysis, observations, and feedback from stakeholders or focus groups. It is important that the framework is accurate, measurable and captures the needs of the participating stakeholders. Each project and initiative carried out by the Institute will have its own Logic Model and Performance Measurement Framework (or similar tools as determined by Institute management).

b) Risk Management

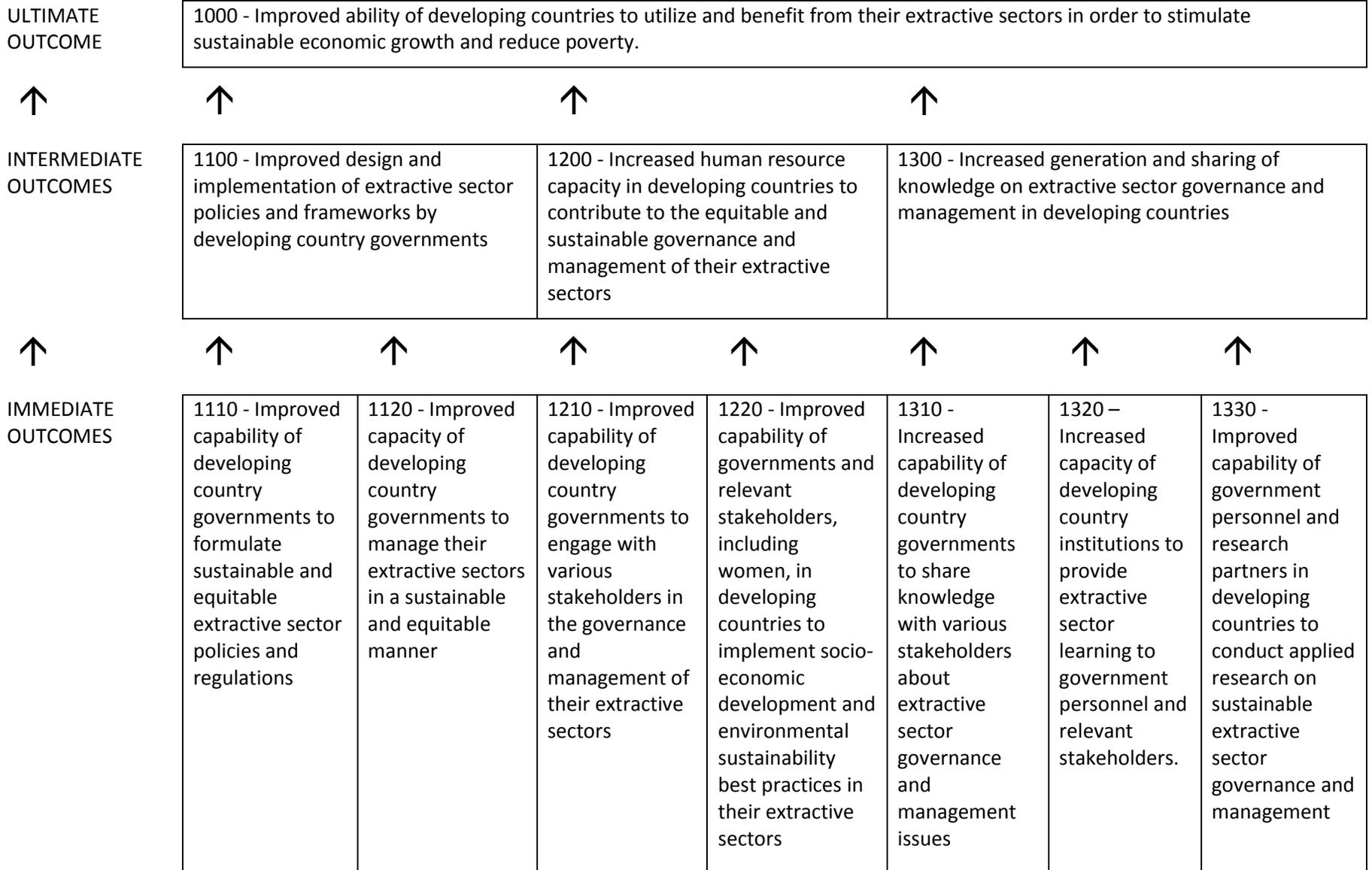
The Institute has constructed and submitted a risk register to CIDA which will be updated and reviewed continuously. An integrated risk management process such as the one recommended by CIDA will be adopted. The Institute will develop an organizational risk profile (finance, operations, reputation and development) adapted using best practices recommended by organizations such as the World Bank. UBC and its [Enterprise Risk Management](#) framework and expand the categories of risk to include academic and hazard risks. The Director, Institute Development and Management will serve as the CIDA liaison concerning risk management and mitigation.

c) External Evaluation

In order to review performance of the Institute, CIDA will fund a mid-term institutional assessment and an end-of-project evaluation. To facilitate the assessment and evaluation, a Performance Measurement Framework will be prepared to document the major elements of the Institute monitoring system and ensure that performance information is collected on a regular basis. It will define requirements for management tools to be utilized to plan, monitor and evaluate performance of each project or initiative of the Institute. It will include preliminary indicators for all results identified in the Logic Model. The Performance Measurement Framework will serve as a basis for the mid-term assessment and end-of-project evaluation. Coalition members will collaborate with external evaluators selected by CIDA to ensure that the mid-term assessment and end-of-project evaluation deliver sound recommendations and contribute to improve the performance of the Institute.

I. Business Development and Sustainability Plan [CONFIDENTIAL]

APPENDIX 1: CIIED Logic Model (LM)



APPENDIX 2: Institute Strategic Partner Network [CONFIDENTIAL]

APPENDIX 3: Performance Management Bar Chart

	COMPONENT/ACTIVITY	FINANCIAL YEARS																
		2013 - 2014												2014-15/ 2015-16/ 2016-17/ 2017-18				
		1	2	3	4	5	6	7	8	9	10	11	12	Q1	Q2	Q3	Q4	
5100	Program Management																	
5110	Governance Bodies																	
5120	Program and Project Selection Process	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
5130	Performance Management	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
5140	Communications	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
5150	Management Systems	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
5200	Human Resource Management																	
5210	Human Resource Plan																	
5220	Recruitment of Personnel							█	█	█	█	█	█	█	█	█	█	█
5230	Advancement and Evaluation																	
5300	Financial Management																	
5310	Budgets	█	█	█														
5320	Cost Control	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
5330	Financial Reporting							█	█	█	█	█	█	█	█	█	█	█
5400	Planning and Reporting																	
5410	Project Implementation Plan			█														
5420	Gender Analysis and Strategy			█														
5430	Strategic Environmental Assessment and Management Plan			█														
5440	Annual Implementation Plan																	
5450	Progress Reports																	
5500	Technology Infrastructure																	
5510	Web Site																	
5520	Database																	
5530	Financial Management Systems																	

Forecast
 Part-time
 Actual
 Late