



Extractive Industries
Transparency Initiative



Guyana



**SYSTEMATIC
DISCLOSURE IN GYEITI
A HIGH-LEVEL ROADMAP**

July 2021



DOCUMENT HISTORY

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LIST OF ABBREVIATIONS

EPA	Environmental Protection Agency
EITI	Extractive Industries Transparency Initiative
GFC	Guyana Forestry Commission
GGB	Guyana Gold Board
GGMC	Guyana Geology and Mines Commission
GRA	Guyana Revenue Authority
GYEITI	Guyana Extractive Industries Transparency Initiative
MoF	Ministry of Finance
NIS	National Insurance Scheme
NICIL	National Industrial Commercial Investments Limited
PADF	Pan American Development Foundation
USAID	United States Agency International Development

1 INTRODUCTION

EITI Standard 2019 refers to systematic disclosure as “... the desired end-state, where the EITI’s disclosure requirements are met through routine and publicly available company and government reporting”. Further, the Standard notes “it is the expectation, with EITI Reports used to provide additional context, collate the sources where systematic disclosures can be found, and address any gaps and concerns about data quality.”

Moving towards main streaming requires an ongoing and progressive approach over time, as well as various changes in legislation, regulations, policies and practices to enable and facilitate disclosure. Further it requires focused stakeholder engagement and participation, as well as education and advocacy to develop the systems required.

This document is intended to present a high level “roadmap” that serves to guide stakeholders towards systematic disclosure. A supplemental Power Point Presentation (PPT) (Appendix 1) forms part of this report and is intended to be used to raise awareness, promote capacity building and advocacy among stakeholders in the area of systematic disclosure

It is noteworthy that the Ministry of Natural Resources has issued a Standard Request for Proposals for and Individual Consultancy to Conduct a Comprehensive GYEITI Systematic Disclosure Feasibility Study and is now in the process of evaluating proposals received.

2 METHODOLOGY

2.1 Document Review

This study was undertaken primarily as desk research and several documents were reviewed to understand the context of Guyana’s extractives sector, with a view to moving towards systematic disclosure. These documents are detail in Chapter 3.

Additionally, various engagements with stakeholders (though not specifically for the purposes of this roadmap) within the overall USAID, PADF engagement provided useful context and understanding towards the preparation of this document. Important to this was discussions held during Transparency Week which provided important context and insights on the way forward.

3 DOCUMENT REVIEW

Several documents were reviewed to understand and contextualise the Guyana's position with a view to developing an approach to mainstreaming to satisfy EITI Standard Requirements.

The following documents were reviewed as part of this mainstreaming exercise and include both documents prepared by GYEITI as well as documents prepared by other parties.

3.1 GYEITI Prepared Documentation

a) GYEITI Report Fiscal 2018

In the GYEITI Report for Fiscal 2018, the Independent Administrator makes the following recommendation related to systematic disclosure:

“A similar recommendation was made in the previous GYEITI report (Section 7.1). The GYEITI Multi Stakeholder Group is encouraged to put in place a roadmap on the implementation of an open data that centralises all EITI data. Such roadmap should provide a clear open data policy on the access, release and re-use of EITI data. Government Agencies and extractive entities are expected to publish EITI data under an open license, and to make users aware that information can be reused without prior consent as required by Requirement 7.2.a of the EITI Standard.

The GYEITI website presents useful information that address several EITI requirements, including the publication of petroleum contracts and the GYEITI report. It is recommended that the GYEITI website includes the relevant links to the different information required by the EITI Standard when these are available by the different Government Agencies. Government Agencies should set-up an open EITI database in the government systems by:

- Implementing and upgrading a cadastral system with adequate details such as data about valid licences, coordinates, licensee and the beneficial owners of the companies; and
- Enhancing the current management information systems of the Government Agencies involved in the GYEITI process (i.e. GRA, GGB, GGMC, NIS, EPA, MoF, GFC, DoF, NICIL) in order to allow, among other benefits, systematic publication of EITI data required to be published.”

b) GYEITI Workplan 2021-2022

The GYEITI Workplan 2021-22 identifies the following activities related to systematic disclosure:

- Review legislation to determine legal and institutional framework for public disclosure of information.
- Conduct scoping study on systematic disclosure.
- Formulate conclusion and recommendation for Public Disclosure
- Identify options for appropriate hardware and software that can be used by reporting entities. (b) Conduct a workshop to build capacity – recruit and train staff on the use of the software, data collection, analysis and report compilation.

3.2 Externally Prepared Documentation

a) PADF Systematic Disclosure Gap Analysis as per EITI Standard 2019

This Gap Analysis prepared by PADF presents preliminary findings on systematic disclosure for each of the EITI Standard 2019 Requirements. This analysis identifies either partial or non-compliance for most areas, with the only area of full compliance being Requirement 4.8, Data Timeliness, relating to the publication of the GYEITI Report. The detailed Gap Analysis can be found in Appendix 1.

b) IADB Traversing a Slippery Slope: Guyana's Oil Opportunity

This IADB Report published in August 2020 includes “information disclosure and accountability requirements” as some of the challenges that persist related to legal and regulatory areas for improvement. Further, the report identifies several conflicts related to governmental bodies and their related legislation and regulations which create “disharmony in regulatory and policy functions within the oil and gas sector”. This demonstrates some of the underlying changes required as first steps to facilitate the systematic disclosure required by EITI Standard 2019.

c) Various Government Agency Websites

The websites of various Government agencies in Guyana were visited and reviewed to understand roles and responsibilities and opportunities to support mainstreaming.

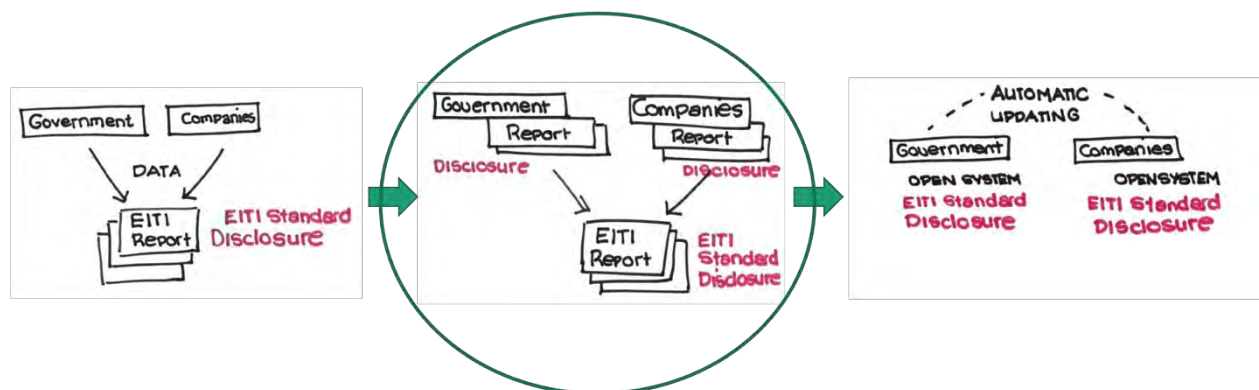
4 SYSTEMATIC DISCLOSURE: MOVING IN THE RIGHT DIRECTION

GYEITI recognizes the importance of systematic disclosure not only to align with EITI requirements, but more broadly to enhance efficiency, transparency and accountability in the extractives sector. In this regard they have taken some important first steps in the right direction:

1. Workplan
 - The GYEITI 2021-2022 workplan outlines activities towards systematic disclosure
2. Feasibility Study
 - The Ministry of Natural Resources has tendered for a Feasibility Study of Systematic Disclosure to be conducted.
3. Partial Online Reporting
 - The 2018 GYEITI Report includes some data systematically disclosed (links to online resources)

Like many EITI Reporting countries, Guyana is in the transition towards systematic disclosure (Figure 4.1) and there is much work to be done to move towards complete open systems with automatic updating.

FIGURE 4-1: MOVING TOWARDS SYSTEMATIC DISCLOSURE



5 SYSTEMATIC DISCLOSURE: THE MAIN BARRIERS

Systematic disclosure is progressive, and, particularly in developing and emerging economies requires the unlocking of various barriers and the closing of both systemic and technical gaps. The main barriers identified are as follows and each is discussed further on the PPT Document in Appendix 1.

1. Legal Barriers

- Laws that prohibit the disclosure of ‘confidential’ data, most notably Section 23 (1) of the Revenue Authority Act (1996) and Section 4 of the Income Tax Act (1929).
- Incompatibility of legislation affecting regulatory and policy function

2. Data Gaps

- Availability – disaggregation and comprehensiveness
- Quality – credibility and assurance of data
- Timeliness – age of data
- Format – appropriately formatted for systematic disclosure

3. Capacity Constraints

- Financial constraints to overcoming barriers
- Technical capacity constraints to developing required systems

4. Advocacy and Will

- Political will to drive systematic disclosure
- Citizen advocacy to drive systematic disclosure

Further, from a macro perspective, there is need for the development of a National Policy Framework on Open Data. This was originally recommended in the [Digital Governance Roadmap for Guyana](#) (Version 2.0 of 25 October 2018), developed by the e-Governance Academy with the support and local coordination of the National Data Management Authority of Guyana.

6 SYSTEMATIC DISCLOSURE: OPPORTUNITIES AND BENEFITS

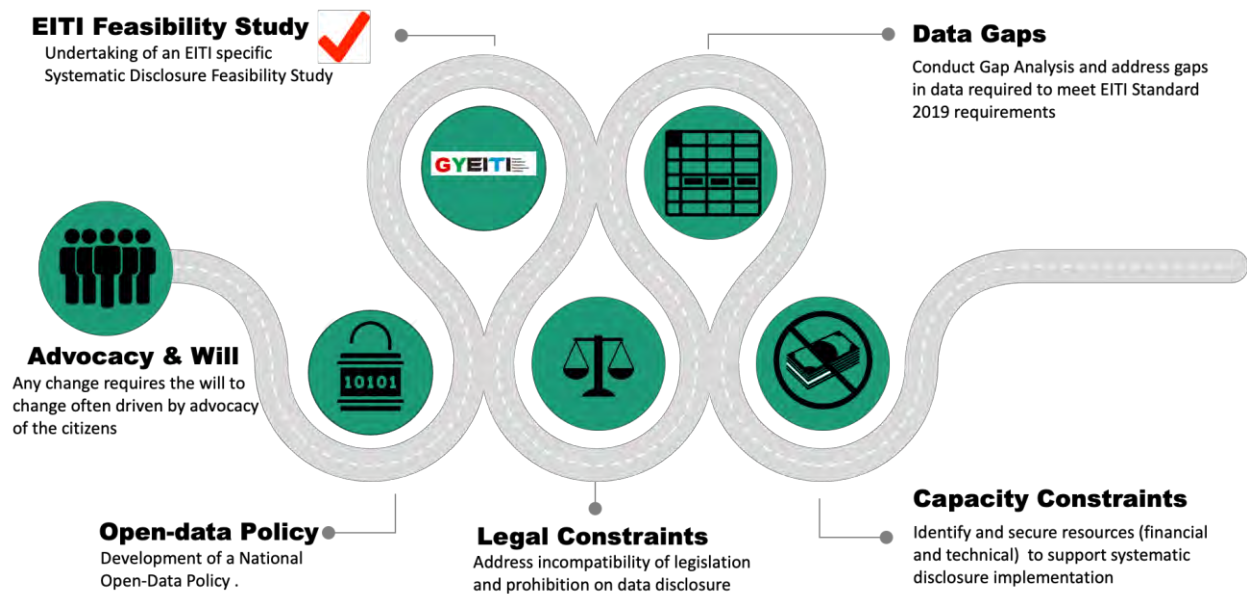
“Allowing room for innovation on how EITI data is assembled, and data reliability assured could be a tangible transition step towards fully mainstreamed EITI systems.”

1. Innovation
 - EITI has not been prescriptive in the approach to implementation of systematic disclosure, leaving room for country specific innovation.
2. Early Days
 - Guyana, as a ‘new’ oil producer has the opportunity to develop and implement systems at a starting point that will cater to a developing sector.
3. Cost-Benefit
 - Moving away from manual reconciliation can significantly reduce the recurring IA cost on an annual basis (acknowledging that implementation of online systems can require substantial initial investment).
4. Step-by-step
 - Existing gaps and barriers do not prevent incremental progress towards systematic disclosure as demonstrated in the 2018 GYEITI report. Incremental continue be made in the absence of a ‘grand’ system.

7 SYSTEMATIC DISCLOSURE: HOW WE GET THERE

Figure 7-1 below presents a high-level overview of the road towards systematic disclosure with the important step of a Feasibility Study already in train.

FIGURE 7-1: HIGH LEVEL ROAD MAP



APPENDIX 1 – PPT Systematic Disclosure

Separate Document Attached