
EITI Validation Guide

Approved by the EITI Board in December 2020.

The following document provides guidance to the EITI Board on assessing the EITI provisions and clarifies expectations towards implementing countries. The onus is on implementing countries to demonstrate progress and provide evidence. In some cases, there is specific evidence that the EITI Board must see to ensure that a provision has been satisfied. In other cases, there are different approaches that a country might take to address an EITI provision, and this guidance provides examples of the types of evidence that the EITI Board might consider. Where documentation supporting the EITI Board's conclusion is available, a reference to the source should be provided. Supporting documentation should be clearly sourced.

For the purpose of the guidance below, the requirements in the EITI Standard are referred to as 'provisions' in order to avoid ambiguity about which disclosures are 'required', 'expected' and 'recommended/encouraged'. Where disclosures are 'recommended/encouraged', the guidance below clearly states that the findings from Validation should not be considered in the overall assessment of compliance with the EITI Standard. Where disclosures are 'expected', the guidance below clearly states that the EITI Board should evaluate the evidence provided by the MSG, but that the findings should not be considered in assessing overall compliance with the EITI Standard.

The assessment of the EITI provisions should be structured in three parts. Part I is the assessment of the MSG oversight of the EITI process (provisions 1.1–1.4); Part II is the assessment of the EITI disclosure provisions including the timeliness, comprehensiveness and reliability of the information (provisions 2-6); and Part III provides an overview of the implementation objectives linked to the national priorities for the extractive industries, stakeholder commentary whether these objectives have been realised, and the opportunities for making EITI implementation more effective, as well as a more detailed assessment of the outcomes and impact of EITI implementation (provisions 1.5 and 7). The Validation may, where appropriate, make recommendations on strengthening implementation including encouraging systematic disclosures.

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General guidance

Assessments of adherence to individual provisions of the EITI Standard is guided by a twofold approach in accordance with Article 4 of Section 4 of the 2019 EITI Standard, 'EITI Board oversight of EITI implementation'. This twofold approach consists of a technical assessment of progress in implementing all aspects of the requirement and fulfilment of the broader objective of the requirement. A set of general principles therefore guide Validation:

- The 2019 EITI Standard refers to the public disclosure of information from official sources, rather than a narrow focus on information disclosed in standalone EITI Reports. Validation thus should review all information from official sources that is publicly-accessible at the commencement of Validation.
- The EITI Board has the discretion to weigh minor gaps against progress in achieving the broader objective and may conclude that the requirement is fully met, if the implementing country is able to demonstrate that the broader objective of the EITI Requirement has been fulfilled. These determinations are made by the Board, not the Secretariat. In its assessment of whether gaps are material for achieving the broader objective of the requirement, the Board will consider the views of the MSG and stakeholders. Procedural breaches should be considered alongside the broader objective of the requirement. The Secretariat should, however, highlight areas where the Board may wish to exercise its discretion.
- Each requirement will be assessed following the scale below and assigned corresponding points:
 - Exceeded (100 points): All aspects of the requirement, including 'expected', 'encouraged' and 'recommended' aspects, have been implemented and the broader objective of the requirement has been fulfilled through systematic disclosures in government and company systems.
 - Fully met (90 points): The broader objective of the requirement has been fulfilled, and all required aspects of the requirement have been addressed.
 - Mostly met (60 points): Significant aspects of the requirement have been implemented, and the broader objective of the requirement is mostly fulfilled.
 - Partly met (30 points): Significant aspects of the requirement have not been implemented, and the broader objective of the requirement is not fulfilled.
 - Not met (0 points): All or nearly all aspects of the requirement remain outstanding, and the broader objective of the requirement is far from fulfilled.
- Where the evidence does not clearly suggest a certain assessment, stakeholder views on the issue diverge, or the multi-stakeholder group disagrees with the Secretariat's assessment, the Secretariat will describe the situation in its assessment and call the Board's attention to the Requirement at hand to ensure that its assessment is thoroughly considered.

- An average score for each of the three components (“Stakeholder engagement”, “Transparency” and “Outcomes and impact”) will be calculated based on the assessment of individual requirements. Additionally, an overall score will be presented based on the average score of the three components.
- For each “Effectiveness and sustainability indicator, Validation will award 0, 0.5 or 1 additional point. The additional points will be added to the component score of “Outcomes and impact”.

Part I: Stakeholder engagement

| MSG oversight | |
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| Government oversight of the EITI process EITI Requirement 1.1. | The objective of this requirement is to ensure a full, active and effective government lead for EITI implementation, both in terms of high-level political leadership and operational engagement, as a means of facilitating all aspects of EITI implementation. |
| | The Validation is expected to document ¹ whether: <ul style="list-style-type: none"> • The government has issued a public statement of its intention to implement the EITI (1.1.a); • The government has appointed a senior individual to lead on the implementation of the EITI (1.1.b); • The government is fully, actively and effectively engaged in the EITI process (1.1.c). Evidence could include input to and attendance at MSG meetings, submission of data required for the EITI reporting process, commitment to resolving bottlenecks such as legal barriers to disclosure or procurement issues, provision of funding for the EITI process, outreach to stakeholders that are not members of the MSG, use of EITI data and other information to promote public debate, etc. • Senior government officials are represented on the MSG and participate regularly (1.1.d). |
| Company engagement EITI Requirement 1.2. | The objective of this requirement is to ensure that extractive companies are fully, actively and effectively engaged in the EITI, both in terms of disclosures and participation in the work of the multi-stakeholder group, and that the government ensures an enabling environment for this. |

¹ The term 'document' is used interchangeably with terms such as 'assess', 'review', and 'comment'. Where written evidence is available, the Validation should provide a reference to the source.

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| | <p>The Validation is expected to document whether:</p> <ul style="list-style-type: none"> • Companies are fully, actively and effectively engaged in the EITI process (1.2.a). Evidence could include input to and attendance at MSG meetings, submission of data required for the EITI reporting process, commitment to resolving bottlenecks such as legal barriers to disclosure or procurement issues, provision of funding for the EITI process, outreach to stakeholders that are not members of the MSG, use of EITI data and other information to promote public debate, etc. • There is an enabling environment for company participation in the EITI (1.2.b-c) by analysing whether relevant laws, regulations, and administrative rules or actual practice in implementation of the EITI have created obstacles to company participation in the EITI process. Where laws, regulations or administrative rules have constituted an obstacle to industry participation, or where there is an enabling legal environment, but actual practice differs, the Validation should document the circumstances of the case and any proactive or reactive efforts to overcome the obstacles. The Validation should cite stakeholders' views on whether any obstacles to company participation have been removed (1.2.b-c). |
| <p>Civil society engagement EITI Requirement 1.3.</p> | <p>The objective of this requirement is to ensure that civil society is fully, actively and effectively engaged in the EITI process, and that there is an enabling environment for this. The active participation of civil society in the EITI process is key to ensuring that the transparency created by the EITI can lead to greater accountability and improved governance of oil, gas and mineral resources. The provisions related to civil society engagement seek to establish the conditions that permit this to occur over time.</p> <p>The Validation is expected to document whether civil society is fully, actively and effectively engaged in the EITI process (1.3.a).</p> <p>In assessing civil society engagement and the environment for civil society participation, the Validation is expected to apply the guidance set out in the civil society protocol in a manner consistent with past Validations.</p> <p>The protocol defines 'civil society representatives' as "civil society representatives who are substantively involved in the EITI process, including but not limited to members of the multi-stakeholder group".</p> |

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| | <p>According to the protocol “references to the ‘EITI process’ will include activities related to preparing for EITI sign-up; MSG meetings; CSO constituency side-meetings on EITI, including interactions with MSG representatives; producing EITI Reports; producing materials or conducting analysis on EITI Reports; expressing views related to EITI activities; and expressing views related to natural resource governance.” Data within the scope of the EITI Standard refers to required aspects of EITI provisions and any encouraged aspects that the MSG has agreed to include in the scope of the EITI.</p> <p>For contextual purposes, Validation will provide an overview of the broader enabling environment for civil society participation in extractive sector in the country being assessed. This overview will draw on internationally recognised indicators and assessments such as those produced by Civicus, the International Center for not-for-profit Law (ICNL), United Nations bodies, Freedom House, OECD, regional organisations, etc. Validation will assess whether legal or practical restrictions related to the broader enabling environment have in practice restricted civil society engagement in the EITI in the period under review. The detail and depth of this assessment will consider the broader environment for civil society participation. Validation should capture stakeholder views on any developments in the broader enabling environment that have the potential to impact civil society engagement in the EITI.</p> <p>In assessing the civil society provisions, the Validation will apply the following tests (summarised from the civil society protocol):</p> <p>2.1 Expression: Civil society representatives are able to engage in public debate related to the EITI process and express opinions about the EITI process without restraint, coercion or reprisal.</p> <p>For contextual purposes, based on available indicators and assessments the Validation will summarise the extent to which:</p> <ul style="list-style-type: none"> • The legal framework provides for freedom of expression, including legal protections for freedom of expression. • There are any laws that have potential to restrict freedom of expression related to extractive sector governance. • The legal guarantees for freedom of expression are respected in practice. <p>For purposes of the assessment, the Validation will consider the extent to which:</p> |
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| | <ul style="list-style-type: none"> • Civil society representatives are able to speak freely in public about the EITI process including for example during MSG meetings, EITI events including for the promulgation of EITI Reports, public events, in the media etc. • Actual practice, including diverse stakeholder views or substantive evidence provided by independent third parties, indicates that self-censorship or self-imposed restriction by civil society representatives has taken place related to the EITI process due to fear of reprisal and whether such barriers have impacted civil society representatives' dissemination of information and public comment on the EITI process. <p>The following guiding questions and related evidence should be considered in cases where there are concerns about potential breaches of the civil society protocol:</p> <ul style="list-style-type: none"> • Is there evidence that civil society representatives substantively engaged in the EITI are hindered or refrain from engaging in public debate, expressing opinions, and seeking and imparting information related to issues within the scope of the EITI Standard? • Is there evidence of civil society publicly expressing views on issues related to the EITI Standard that are critical towards the government and/or extractive companies? • Have individuals or groups engaging in public debate, expressing opinions, or seeking and imparting information on issues related to the EITI Standard been subject to threats and attacks, such as: (1) legal proceedings; (2) intimidation; (3) harassments, including smear campaigns; or (4) verbal or physical threats? Is it reasonable to expect that intimidation, harassment or threats are undertaken or endorsed by government officials or security forces? • Are there topics related to the EITI Standard that civil society are avoiding expressing their critical opinion on? Are there reasonable grounds to consider that this is due to fear of reprisal, such as evidence of prior retaliation? • Has the threat of administrative measures, sanctions, or bars on publication discouraged civil society representatives from communicating information and opinions related to the EITI Standard to the press, or the press from publishing such information and opinions? |
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| | <ul style="list-style-type: none"> • Have the authorities provided for protective measures in the event of attacks or threats against members of civil society exercising their right to freedom of expression on issues related to the EITI Standard? <p>2.2 Operation: Civil society representatives are able to operate freely in relation to the EITI process.</p> <p>For contextual purposes, based on available indicators and assessments the Validation will summarise the extent to which:</p> <ul style="list-style-type: none"> • The legal framework imposes rules related to the operation of civil society, including the registration of civil society groups, approval for activities, other administrative requirements and access to funding. • The legal framework is applied in a way that may seek to hinder civil society’s activities related to, for example, politically sensitive topics. <p>For purposes of the assessment, the Validation will consider the extent to which the legal, regulatory, administrative and actual environment has affected civil society representative’s ability to participate in the EITI process. This could for example include:</p> <ul style="list-style-type: none"> • The extent to which legal, regulatory or administrative obstacles affect the ability of civil society representatives to participate in the EITI process. • Any evidence suggesting that the fundamental rights of civil society representatives have been restricted in relation to the implementation of the EITI process, such as restrictions on freedom of expression or freedom of movement. <p>The following guiding questions and related evidence should be considered in cases where there are concerns about potential breaches of the civil society protocol:</p> <ul style="list-style-type: none"> • In practice, have registration requirements or related fees hindered civil society groups in carrying out activities relating to the EITI? Has the government interfered with the registration of civil society groups carrying out such activities, including through a pattern of delay or arbitrary application of registration requirements? • Have unregistered civil society groups been subject to penalties for carrying out activities relating to the EITI process? Have |
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| | <p>unregistered CSOs have found it difficult to participate in the EITI process?</p> <ul style="list-style-type: none"> • Have reporting or regulatory requirements been applied unfairly or disproportionately to hinder or interfere with CSOs carrying out activities relating to the EITI? Is it likely that these decisions are related to the CSOs' engagement in the EITI? • Have restrictions on access to foreign funding prevented CSOs substantively engaged in the EITI from accessing needed resources or financial services? Have such government procedures related to access to funding hindered the EITI-related activities of CSOs engaged in the EITI? • Has government approval for CSO activities relating to the EITI process been delayed or denied? • Are CSOs substantially engaged in the EITI subject to government harassment, frequent inspections, monitoring or requests for documentation? Can a link be reasonably established between EITI-related activities and such practices? • Are CSOs substantially engaged in the EITI subject to threats and violence from third parties? Does the government adequately investigate such threats and violence and protect CSOs against these risks in accordance with national laws and international commitments? • Is there evidence of state-controlled CSOs carrying out activities related to the EITI process that have constrained independent civil society organisations from fully, effectively and actively engaging in the EITI? <p>2.3 Association: Civil society representatives are able to communicate and cooperate with each other regarding the EITI process.</p> <p>For contextual purposes, based on available indicators and assessments the Validation will summarise the extent to which:</p> <ul style="list-style-type: none"> • There are legal or practical restrictions in place that may affect civil society's ability to communicate with each other, either domestically or internationally. These may include restrictions on domestic or foreign travel, use of communication channels, or attendance at or organisation of events. |
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| | <p>For purposes of the assessments, the Validation will consider the extent to which:</p> <ul style="list-style-type: none"> • Civil society MSG representatives may seek and are not restricted from engaging other CSOs that are not part of the MSG, including capturing their input for MSG discussions and communicating outcomes of MSG deliberations. • Formal or informal communication channels between civil society MSG members and the wider civil society constituency have not been restricted. • Civil society MSG representatives have not been restricted from engaging in outreach to broader civil society, including related to discussions about MSG representation and the EITI process. <p>The following guiding questions and related evidence should be considered in cases where there are concerns about potential breaches of the civil society protocol:</p> <ul style="list-style-type: none"> • Is there evidence of civil society representatives communicating and cooperating on the EITI process through, for example, coalitions and networks? Which actors or groups are involved? Which communication channels are utilised? • Alternatively, is there any evidence of unjustified interference, monitoring or surveillance of communication (including online) between CSOs engaging in activities related to the EITI? These communications may include, for example, setting the constituency's objectives for EITI implementation, sharing information about the EITI, coordinating advocacy related to topics covered by the EITI Standard or agreeing procedures for the representation of the constituency in the EITI. • Are civil society MSG representatives able to engage with other CSOs that are not part of the MSG, including capturing their input for MSG discussions and communicating outcomes of MSG deliberations? • Are civil society representatives able to consult, engage with, share with and seek information from local communities regarding issues related to the EITI Standard or the MSG's work? |
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| | <ul style="list-style-type: none"> • Are there restrictions on the ability of CSOs to contact and cooperate with colleagues in civil society, business and government, either within or outside the country related to discussions about MSG representation and the EITI process? Such restrictions may include, for example, travel restrictions or barriers to organising meetings and establishing networks related to the EITI. <p>2.4 Engagement: Civil society representatives are able to be fully, actively and effectively engaged in the design, implementation, monitoring and evaluation of the EITI process.</p> <p>For the purposes of the assessment, the Validation will consider the extent to which:</p> <ul style="list-style-type: none"> • Civil society representatives are able to fully contribute and provide input to the EITI process. • Civil society representatives consider that they have adequate capacity to participate in the EITI. <p>The following guiding questions and related evidence should be considered:</p> <ul style="list-style-type: none"> • What is the level of attendance and participation of civil society in MSG meetings, MSG working groups, outreach and other EITI events? • Can civil society representatives freely, meaningfully and actively take part in dialogues and deliberations to push for civil society perspectives and ideas when participating in the EITI process? • Is there evidence of input and advocacy by civil society on issues related to the EITI (statements in the media, research, position papers produced by civil society, etc)? • Are the interests of civil society reflected in EITI implementation, including the EITI work plan objectives and activities, the scope of the EITI reporting process, the annual review of outcomes and impact, Validation, and other relevant issues? • Are obstacles put in place ahead of EITI meetings, events, and activities which hinder or prevent civil society participation? Is there evidence that civil society input has been marginalized or is not being considered? |
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| | <ul style="list-style-type: none"> • Do civil society representatives have the adequate capacity and support to participate meaningfully in the EITI, with sufficient information, resources, time, and opportunities for coordination to support meaningful and effective interventions in EITI activities? • Is there evidence that technical, financial or other capacity constraints affecting civil society have been considered or that plans for addressing such constraints have been agreed upon and effectuated? <p>2.5 Access to public decision-making: Civil society representatives are able to speak freely on transparency and natural resource governance issues, and ensure that the EITI contributes to public debate.</p> <p>For contextual purposes, based on available indicators and assessments the Validation will summarise the extent to which:</p> <ul style="list-style-type: none"> • Governments, whether at the national or local level, enable, in policy and practice, public participation in policy making for extractive sector governance. • The legal framework and its application facilitate access to information related to the extractive sector. <p>For purposes of the assessment, the Validation will consider the extent to which:</p> <ul style="list-style-type: none"> • Civil society representatives are able to use the EITI process to promote public debate for example through public events, workshops and conferences organised by or with participation of civil society to inform the public about the EITI process and outcomes. • Civil society representatives are able to engage in activities and debates about natural resource governance, including for example conducting analysis and advocacy on natural resource issues, use of EITI data, engagement with media outlets, development of tools to communicate the findings of the EITI reports, etc. <p>The following guiding questions and related evidence should be considered in cases where there are concerns about potential breaches of the civil society protocol:</p> <ul style="list-style-type: none"> • Are civil society representatives using publicly available data on the extractive sector and recommendations arising |
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| | <p>from the EITI process in their advocacy? Evidence could include studies, public events, participation in parliamentary hearings, outreach to the press, publication of research material, etc.</p> <ul style="list-style-type: none"> • Are there restrictions to civil society’s ability to use the EITI process and related disclosures to contribute to public debate? Evidence could include, for example, legal or administrative barriers to publishing research on the extractive sector or reprisal following advocacy related to the EITI. <p>2.6 Available documentation from the MSG and CSOs engaged in the EITI process as well as outcomes from direct consultation with relevant stakeholders, including but not limited to members of the MSG, should be taken into account when gathering the above evidence. For contextual purposes, the EITI Board will review the broader environment in which the EITI operates for example by reference to indicators or other types of assessments relevant to the issues addressed in 2.1-2.5 above.</p> <p>In assessing adherence to the civil society protocol, the Validation should consider the impact of any legal or practical restrictions on civil society participation in EITI implementation and civil society’s contribution to public debate on extractive sector governance. This involves focusing on the practical implications of any restrictions and assessing whether there are patterns of restrictions that compromise civil society’s possibility to fully engage in EITI implementation. The Validation Committee should compare the potential effects of such restrictions with civil society’s actual contributions to public debate to achieve a balanced assessment of civil society engagement in practice.</p> <p>In recognition of the International Covenant on Civil and Political Rights, freedom of expression, operation and association may be limited by lawful means necessary in the interests of national security or public safety, public order, the protection of public health or morals or the protection of the rights and freedoms of others. For assessment purposes, consultations with local stakeholders will be considered in assessing whether these limitations are reasonably imposed in the overall context of national priorities and implemented in a manner compatible with the above components of the EITI civil society protocol.</p> |
| <p>MSG governance and functioning</p> | <p>The objective of this requirement is to ensure that there is an independent MSG that can exercise active and meaningful oversight of all aspects of EITI implementation that balances the</p> |

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| EITI Requirement 1.4. | <p>three main constituencies' (government, industry and civil society) interests in a consensual manner. As a precondition for achieving this objective, the MSG must include adequate representation of key stakeholders appointed on the basis of open, fair and transparent constituency procedures, make decisions in an inclusive manner and report to wider constituencies.</p> <p>The Validation is expected to confirm that a multi-stakeholder group has been formed and that it comprises the appropriate stakeholders. The evidence should include:</p> <ul style="list-style-type: none"> • Information about outreach to stakeholders prior to the establishment of the MSG (1.4.a.i), including whether the invitation to participate in the group was open and transparent; • Information on the membership of the multi-stakeholder group, and the process by which each stakeholder group nominated their representatives (1.4.a.ii). With regards to representation on the MSG, the Validation should provide evidence that civil society and companies have appointed their own representatives. This could for example include: <ul style="list-style-type: none"> - evidence of civil society and company outreach efforts to engage a diverse range of stakeholders in the EITI process prior to nomination of MSG representatives, including outreach activities, stakeholder mapping etc.; - details about the civil society and company MSG representation nomination process, including information about election processes, any criteria for diverse representation agreed by civil society (regional, ethnic, indigenous, gender, issues, community groups etc.) and companies (sectors, international, domestic, industry bodies etc.) where applicable; and - where MSG members have changed, details about the reasons for the change and the process for re-nominating members. • Where multi-stakeholder group membership has changed, documentation of whether there has been any suggestion of coercion or attempts to include members that will not challenge the status quo and whether internal rules for changing MSG representatives have been followed (1.4.a.ii; 1.4.b.vi). • Stakeholder views on whether they are adequately represented, including any evidence that stakeholders have provided input to |
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| | <p>and agreed with the MSG's policy regarding the number of MSG representatives from each stakeholder group, alternates and rotation (1.4.a.ii) as well as stakeholder views on whether their representation sufficiently reflects the diversity of their constituency. (Note: There is no requirement that stakeholders are equally represented numerically.) Stakeholder views should be sought on how the MSG has considered gender balance on the MSG, including documentation of the MSGs discussions and actions to improve gender balance in each constituency's representation on the MSG.</p> <p>The Validation is expected assess whether:</p> <ul style="list-style-type: none"> • Civil society MSG members are operationally and in policy terms independent of government and companies (1.4.a.ii). In making this assessment, the Validation may wish to consider: <ul style="list-style-type: none"> - Evidence of any civil society constituency discussions or agreed consistency policies related to ensuring policy and operational independence from members of parliament from the ruling party, other political parties aligned with the government, or extractive companies. - Evidence that any potential conflict of interests or issues affecting civil society MSG members' independence have been transparently disclosed. - Details about the articles of association, objectives, work programmes and funding sources of civil society organisations represented on the MSG. • The MSG includes appropriate stakeholders and whether MSG members appear to have sufficient capacity to carry out their duties (1.4.b.i). • There is any indication of MSG members not abiding by the EITI Code of Conduct (1.4.b.iv). • Decision-making is conducted in an inclusive way which treats each constituency as a partner (1.4.b.vii) (for guidance on the interpretation of this provision please see Guidance Note 14). The Validation is expected to assess whether the decision-making rules agreed by the MSG are being followed including by consulting documentation and stakeholder views on how MSG decisions have been taken and whether all stakeholders are involved in decision-making. |
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| | <p>The Validation is expected to confirm that the MSG has agreed Terms of Reference (TORs) that give the MSG a say over implementation. The Validation is expected to document whether the TORs:</p> <ul style="list-style-type: none"> • Outline the role and responsibilities of MSG members and whether MSG members are effectively carrying out their tasks, including evidence of outreach activities and liaison with constituency groups (1.4.b.i-iii); • Give the MSG a mandate to approve work plans, the appointment of the Independent Administrator including the Terms of Reference for the Independent Administrator’s work, EITI Reports and annual activity reports (1.4.b.v-vi); and • Include internal governance rules and procedures (1.4.b.vii-ix), and assess whether these are followed, including whether per diem practices have been published. <p>The Validation is also expected to note any concerns with regards to adherence to the TOR.</p> |
| <p>Work plan</p> <p>EITI Requirement 1.5</p> | <p>The objective of this requirement is to ensure that the annual planning for EITI implementation supports implementation of national priorities for the extractive industries while laying out realistic activities that are the outcome of consultations with the broader government, industry and civil society constituencies. The annual EITI work plan should be a key accountability document for the MSG vis-à-vis broader constituencies and the public.</p> <p>Required aspects of the Requirement:</p> <p>The Validation is expected to document that a publicly accessible EITI workplan has been agreed by the MSG, and assess whether it includes:</p> <ul style="list-style-type: none"> • Objectives for implementation that are linked to the EITI principles and reflect national priorities for the extractive industries and steps to mainstream EITI implementation in government and company systems (1.5.a). The Validation should document any efforts to consult key stakeholders on the objectives for implementation (1.5.b); • Measurable and time-bound activities to achieve the agreed objectives (1.5.c); |

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| | <ul style="list-style-type: none"> ○ Activities aimed at addressing any capacity constraints identified (1.5.c.i); ○ Activities related to the scope of EITI implementation, including plans for strengthening systematic disclosures (1.5.c.ii); ○ Activities aimed at addressing any legal or regulatory obstacles identified (1.5.c.iii); ○ Plans for implementing the recommendations from Validation and EITI implementation (1.5.c.iv); ○ Plans for disclosing contracts and beneficial ownership information (1.5.c.v); <ul style="list-style-type: none"> ● Costings and funding sources, including domestic and external sources of funding and technical assistance (1.5.d); ● A timetable for implementation (1.5.g). If the timetable is not being met, the Validation – based on evidence from key stakeholders and others – should give an opinion on whether the delays in meeting the timetable are reasonable. The Validation is invited to comment on the overall progress in implementing the workplan. <p>The Validation is expected to document whether the workplan has been made widely available to the public (1.5.e) and has been reviewed and updated at least annually. The Validation is expected to note whether or not the MSG has considered extending the detail and scope of EITI reporting to address issues such as revenue management and expenditure, transportation payments, discretionary social expenditures, ad-hoc sub-national transfers when reviewing the workplan (1.5.f).</p> <p>Encouraged aspects of the Requirement:</p> <p>The Validation is invited to document if the MSG has undertaken any efforts to link the work plan to a monitoring framework. Such efforts are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
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Part II: Transparency

In assessing the EITI disclosure provisions (Provisions 2-6 below), the Validation is expected to state a clear view based on available evidence on three overarching issues in addition to applying the detailed guidance set forth below:

- (1) The **timeliness** of the data disclosed. In accordance with provision 4.8, data disclosed should be no older than the second to last complete accounting period.
- (2) The **comprehensiveness** of the data disclosed. It should be noted that the EITI Requirements related to comprehensiveness refers to the financial data disclosed in accordance with Provision 4. However, the Validation is expected to comment on any MSG discussions related to ensuring that the information disclosed in accordance with Provision 2, 3, 5 and 6 is comprehensive, and whether there are any gaps in the information provided, including whether all entities complied with the agreed procedures for disclosure and provided the requested information.
- (3) The **reliability** of the data disclosed. It should be noted that the EITI Requirements related to data assurance refers to the financial data disclosed in accordance with Provision 4. However, the Validation should also comment on any MSG discussions related to ensuring that the information disclosed in accordance with Provision 2,3,5 and 6 is reliable, and whether there are any reliability gaps in the information provided.

| Award of contracts and licenses | |
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| Legal framework EITI Requirement 2.1. | The objective of this requirement is to ensure public understanding of all aspects of the regulatory framework for the extractive industries, including the legal framework, fiscal regime, roles of government entities and reforms. |
| | The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views. <u>Required disclosures</u> <ul style="list-style-type: none"> • The Validation is expected to document whether a summary description of the fiscal regime has been disclosed, including the level of fiscal devolution, an overview of the relevant laws and regulations, a description of the different types of contracts |

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| | <p>and licenses that govern the exploration and exploitation of oil, gas and minerals, and information on the roles and responsibilities of the relevant government agencies (2.1.a).</p> <p><u>Encouraged disclosures</u></p> <ul style="list-style-type: none"> The Validation is expected to document whether EITI reporting includes any information about reforms that are underway (2.1.b). Such disclosures are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard. The Validation may also document whether information about any significant fiscal incentives is disclosed. |
| <p>Contract and license allocations</p> <p>EITI Requirement 2.2.</p> | <p>The objective of this requirement is to provide a public overview of awards and transfers of oil, gas and mining licenses, the statutory procedures for license awards and transfers and whether these procedures are followed in practice. This can allow stakeholders to identify and address possible weaknesses in the license allocation process.</p> <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. Finally, the Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures</u></p> <ul style="list-style-type: none"> The Validation is expected to document whether the information about the process for awarding or transferring the license(s) set out in provision 2.2.a has been comprehensively disclosed for all contract and license awards and transfers taking place during the accounting period covered by the most recent EITI disclosures. In cases where governments can select different methods for awarding a contract or license (e.g. competitive bidding or direct negotiations), the Validation should document whether the description of the process for awarding or transferring a license includes an explanation of the rules that determine which procedure should be used and why a particular procedure was selected. The Validation should also comment on any legal and practical barriers to disclosures of information regarding license awards and transfers in the accounting period under review (2.2.a). Where no clear technical and financial criteria for awarding or transferring licenses exists, this should be documented by the Validation. |

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| | <ul style="list-style-type: none"> The Validation is expected to document whether the government has disclosed the list of applicants and the bid criteria related to any bidding processes that took place in the accounting period covered by EITI reporting (2.2.c). <p><u>Encouraged disclosures</u></p> <ul style="list-style-type: none"> Where companies covered by the EITI reporting hold licenses that were not awarded or transferred during the financial year covered by EITI reporting, the Validation may wish to comment on the disclosure of information related to the allocation of these licenses (2.2.b). The Validation is expected to document whether the EITI Report includes any additional information about the allocation of licenses, including whether the EITI Report includes commentary on the efficiency and effectiveness of these systems, a description of procedures, actual practices and grounds for renewing, suspending or revoking a contract or license (2.2.d). <p>Such disclosures are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
| <p>License registers</p> <p>EITI Requirement 2.3.</p> | <p>The objective of this requirement is to ensure the public accessibility of comprehensive information on property rights related to extractive deposits and projects.</p> <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures</u></p> <ul style="list-style-type: none"> The Validation is expected to document whether the information set out in provision 2.3.a-b has been disclosed for all the licenses held by companies covered in the EITI reporting process. <p><u>Encouraged disclosures</u></p> <p>The Validation is expected to:</p> <ul style="list-style-type: none"> Document whether the information set out in provision 2.3.b is also available for the licenses held by entities not covered by |

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| | <p>the EITI reporting process, and if not, document the reasons for any gaps (2.3.b-c).</p> <ul style="list-style-type: none"> • Evaluate whether the MSG has documented and explained the barriers to provision of this information and any government plans to overcome these barriers, where information about licenses held by entities not covered by the EITI reporting process is missing. <p>Comprehensive disclosure is expected, but not required for compliance with the EITI Standard.</p> |
| <p>Contracts</p> <p>EITI Requirement 2.4.</p> | <p>The objective of this requirement is to ensure the public accessibility of all licenses and contracts underpinning extractive activities (at least from 2021 onwards) as a basis for the public's understanding of the contractual rights and obligations of companies operating in the country's extractive industries.</p> <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures: Phase 1: 1 January 2021-1 January 2022</u></p> <p>The Validation is expected to document:</p> <ul style="list-style-type: none"> • Whether the government's policy on contract transparency has been disclosed. This should include a description of whether legislation or government policy addresses the issue of disclosure of contracts and licenses, including whether it requires or prohibits disclosure of contracts and licenses. If there is no existing legislation, an explanation of where the government policy is embodied should be included, and the multi-stakeholder group should document its discussion on what constitutes government policy on contract disclosures and any government reforms that are planned or underway (2.4.c). • Whether the MSG has provided an explanation for the deviation, where disclosure practice deviates from legislative or government policy requirements concerning the disclosure of contracts and licenses (2.4.c.iii). • For contracts and licenses granted, entered into and/or amended after 1 January 2021 that are not covered by legal or practical barriers requiring long-term solutions, Validation will |

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| | <p>assess whether the country has comprehensively disclosed all such contracts and licenses in full including relevant annexes, addendum or rider (2.4.a in relation to 2.4.d)</p> <ul style="list-style-type: none"> • For contracts and licenses granted, entered into and/or amended after 1 January 2021 that are covered by legal and practical barriers requiring long-term solutions such as legal amendments, Validation will assess the extent to which (1) the MSG has documented and explained these barriers (2.4.c.ii) (2) the MSG has agreed and published a plan with a clear time frame reflected in work plans addressing any barriers to comprehensive disclosure (2.4.b) (3) the extent to which all constituencies in the MSG are actively implementing their plan to address these barriers including the board-recommended approach of asking companies to waive confidentiality provisions (Board decision 2020-69/BC-295). • Whether the MSG has documented disclosures of contracts and licenses in practice. For contracts executed before 1 January 2021, such disclosures are encouraged but not required and should not be considered in assessing compliance with the EITI provisions (2.4.a). • Whether an overview or a list of all active contracts and licenses, including exploration contracts, is publicly available, indicating which contracts and licenses are publicly available and which are not. • Where contracts and licenses are disclosed, whether the implementing country has published information on how these contracts and licenses can be accessed (2.4.c.ii). <p>Required disclosures (Phase 2: 1 January 2022 onwards)</p> <p>Effective as of 1 January 2022, the Validation is additionally expected to document whether:</p> <ul style="list-style-type: none"> • Whether all extractive contracts and licenses within the scope of Requirement 2.4 have been publicly disclosed.² |
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² See the [Board's clarification](#) on the scope and interpretation of Requirement 2.4 with respect to inclusion of exploration contracts, annexes, and amended contracts and application of the rule to countries under license regimes

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| | <ul style="list-style-type: none"> • Whether legal and practical barriers to contract disclosure identified have been addressed. |
| <p>Beneficial ownership</p> <p>EITI Requirement 2.5</p> | <p>The objective of this requirement is to enable the public to know who ultimately owns and controls the companies operating in the country's extractive industries, particularly those identified by the MSG as high-risk, to help deter improper practices in the management of extractive resources.</p> <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures (Phase 1: January 2020 – 31 December 2022)</u></p> <p>The Validation is expected to document whether:</p> <ul style="list-style-type: none"> • The MSG has agreed an appropriate, publicly available definition of the term beneficial owner that is aligned with Requirement 2.5.f.i, takes international norms and relevant national laws into account, includes ownership threshold(s) and specifies reporting obligations for politically exposed persons as defined by the MSG or applicable regulations (2.5.f) • There are laws, regulations or policies in place to back establishing and maintaining a public register of beneficial owners, including those of corporate entity(ies) that apply for, operate or hold a participating interest in an exploration or production oil, gas or mining license or contract (2.5.a, recommended only and should not be considered in assessing compliance with the EITI Standard); • The government's policy and multi-stakeholder group's discussion on disclosure of beneficial ownership is documented, including details of the relevant legal provisions, actual disclosure practices and any reforms that are planned or underway (2.5.b); • The implementing country has requested beneficial ownership information to be publicly disclosed by corporate entity(ies) that apply for, or hold a participating interest in an exploration or production oil, gas or mining license or |

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| | <p>contract and whether the legal framework backs the request for public disclosure (2.5.c);</p> <ul style="list-style-type: none"> • The requested information includes the identity(ies) of their beneficial owner(s), including nationality, country of residence, and identification of politically exposed persons, the level of ownership and details about how ownership or control is exerted; (2.5.c-d) • Any corporate entity(ies) that apply for, or hold a participating interest in an exploration or production oil, gas or mining license or contract have disclosed the information; • The MSG had assessed and documented gaps or weaknesses in disclosure of beneficial ownership information, including an assessment of the materiality of omissions and the reliability of beneficial information, and whether the government or MSG agreed and documented plans to overcome the identified challenges (2.5.c); • The relevant government entity or the MSG has established an approach for participating companies to assure the accuracy of the beneficial ownership information they provide (2.5.e); • For publicly listed companies, including wholly-owned subsidiaries, the name of the stock exchange has been disclosed and a link included to the stock exchange filings where they are listed, either in the public register or in the EITI Report (2.5.f); • Information about legal owners and share of ownership of applicable companies is publicly available. (2.5.g) <p><u>Required disclosures (Phase 2: 1 January 2022 onwards)</u></p> <p>Effective as of 1 January 2022, the Validation is additionally expected to document whether:</p> <ul style="list-style-type: none"> • A public register of beneficial owners of the corporate entity(ies) that apply for, operate or hold a participating interest in an exploration or production oil, gas or mining license or contract exists and includes the identity(ies) of their beneficial owner(s), the level of ownership and details about how ownership or control is exerted, and whether the information incorporated in existing filings? (2.5.a, |
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| | <p>recommended only and should not be considered in assessing compliance with the EITI Standard);</p> <ul style="list-style-type: none"> • All corporate entity(ies) that apply for, or hold a participating interest in an exploration or production oil, gas or mining license or contract have disclosed the information, including the identity(ies) of their beneficial owner(s), including the name of the beneficial owner, the nationality, and the country of residence, the level of ownership and details about how ownership or control is exerted; • The national identity number, date of birth, residential or service address, and means of contact of beneficial owners are disclosed (recommended only and should not be considered in assessing compliance with the EITI Standard); • Politically exposed persons are identified; • Entities that failed to disclose all or parts of the beneficial ownership information have been named; • The government or MSG have documented efforts to address gaps and weaknesses in data and to strengthen the reporting and disclosure systems; • Companies, including entities within joint ventures, have complied with the assurances established by the relevant government entity or the MSG; • The MSG has considered how rigorous are requirements in the stock exchanges referred to and what ownership information is available from the stock exchange filings of the companies within the scope of the disclosures (recommended only and should not be considered in assessing compliance with the EITI Standard); • In the case of joint ventures, the beneficial owner(s) of each entity within the venture is disclosed, unless it is publicly listed or is a wholly-owned subsidiary of a publicly listed company. |
| <p>State-ownership</p> <p>EITI Requirement 2.6</p> | <p>The objective of this requirement is to ensure an effective mechanism for transparency and accountability for well-governed SOEs and state participation more broadly through a public understanding of whether SOEs' management is undertaken in accordance with the relevant regulatory framework. This information provides the basis for continuous improvements in the</p> |

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| | <p>SOE's contribution to the national economy, whether financially, economically or socially.</p> <p>The Validation is expected to document whether the requirement is applicable and if it is, document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Applicability of the requirement</u></p> <ul style="list-style-type: none"> • Are there any state-owned enterprises (SOEs) engaged in the extractive sector? • Did state participation in the extractive sector give rise to material revenues in the period under review? <p><u>Required disclosures</u></p> <p>Where there are material SOEs in the extractive sector, the Validation is expected to:</p> <ul style="list-style-type: none"> • Document whether an explanation of the role of SOEs in the sector and the prevailing rules and practices regarding the financial relationship between the government and state-owned enterprises have been disclosed (2.6.a.i). This should include rules and practices governing transfers of funds between the SOE(s) and the state, retained earnings, reinvestment and third-party financing, including those related to SOE joint ventures and subsidiaries. • Document whether the government and SOE(s) have disclosed their level of ownership in mining, oil and gas companies operating within the country's oil, gas and mining sector, including those held by SOE subsidiaries and joint ventures, and any changes in the level of ownership during the reporting period in accordance with provision 2.6.a.ii. • Confirm whether the terms of the transactions have been disclosed and the reasons for any gaps in disclosure, where changes to state or SOE ownership have occurred. • Document whether details about any loans or loan guarantees to mining, oil and gas companies operating within the country have been disclosed, including loan tenor and terms (i.e. repayment schedule and interest rate) (2.6.a.ii). |
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| | <p><u>Encouraged disclosures</u></p> <p>The Validation is expected to document:</p> <ul style="list-style-type: none"> • Whether the MSG has compared terms of loans from the state or SOEs to extractives companies with commercial lending terms. • Whether SOEs have publicly disclosed their audited financial statements, or the main financial items (i.e. balance sheet, profit/loss statement, cash flows) where financial statements are not available (2.6.b). • Whether implementing countries have publicly described the rules and practices related to SOEs' operating and capital expenditures, procurement, subcontracting and corporate governance, e.g. composition and appointment of the Board of Directors, Board's mandate, code of conduct (2.6.c). <p>Such disclosures are recommended, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
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| Exploration and production | |
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| EITI provisions | Guidance to Validation assessments |
| <p>Exploration activities</p> <p>EITI Requirement 3.1.</p> | <p>The objective of this requirement is to ensure public access to an overview of the extractive sector in the country and its potential, including recent, ongoing and planned significant exploration activities.</p> <hr/> <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures</u></p> <p>The Validation is expected to document whether an overview of the extractive industries, including any significant exploration activities, has been disclosed (3.1).</p> |

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| | <p>Encouraged disclosures</p> <p>The Validation is expected to document public disclosures and MSG discussions on:</p> <ul style="list-style-type: none"> • Brief history of the extractive industries; • Information on reserves; • Information on other reserves and extractive commodities with significant economic potentials; • Informal sector activities, including artisanal and small-scale mining potentials. <p>Such disclosures are recommended, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
| <p>Production data</p> <p>EITI Requirement 3.2.</p> | <p>The objective of this requirement is to ensure public understanding of extractive commodity(ies) production levels and the valuation of extractive commodity output, as a basis for addressing production-related issues in the extractive industries .</p> <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Applicability of the requirement</u></p> <ul style="list-style-type: none"> • Was there any production of extractive commodities in the period under review? <p><u>Required disclosures</u></p> <p>The Validation is expected to document whether total production volumes and the value of production by commodity have been disclosed, including whether this information is further disaggregated by state/region, company or project (3.2).</p> <p><u>Encouraged disclosures</u></p> <p>Reporting on the reliability of production information is encouraged, but not required and should not be considered in assessing for compliance with the EITI Standard. Where the MSG has disclosed the sources of production data and information on how production</p> |

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| | <p>data has been calculated, the Validation should take note of this. Reporting on such information is encouraged, but not required and should not be considered in assessing for compliance with the EITI Standard. The Validation should take note of any MSG efforts to disclose estimates of production data from artisanal and small-scale mining, although reporting on such information is encouraged, but not required and should not be considered in assessing for compliance with the EITI Standard. Where the MSG has included artisanal and small-scale mining in the scope of EITI reporting, the Validation should assess whether production data from ASM has been disclosed to the extent available.</p> <p>Finally, the Validation could comment on whether estimates conform with international data standards and methodologies for calculating extractive commodity production data.</p> |
| <p>Export data</p> <p>EITI Requirement 3.3.</p> | <p>The objective of this requirement is to ensure public understanding of extractive commodity(ies) export levels and the valuation of extractive commodity exports, as a basis for addressing export-related issues in the extractive industries .</p> <p>The Validation is expected to document whether the requirement is applicable and if it is, document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Applicability of the requirement</u></p> <ul style="list-style-type: none"> • Were there any exports of extractive commodities in the period under review? <p><u>Required disclosures</u></p> <p>The Validation is expected to document whether total export volumes and the value of exports by commodity have been disclosed, including whether this information is further disaggregated by state/region of origin, company or project (3.3).</p> <p><u>Encouraged disclosures</u></p> <p>Reporting on the reliability of export information is encouraged, but not required and should not be considered in assessing for compliance with the EITI Standard. Where the MSG has disclosed the sources of export data and information on how export data has been calculated, the Validation should take note of this. Reporting</p> |

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| | <p>on such information is encouraged, but not required and should not be considered in assessing for compliance with the EITI Standard. The Validation should take note of any MSG efforts to disclose estimates of export data from artisanal and small-scale mining, although reporting on such information is encouraged, but not required and should not be considered in assessing for compliance with the EITI Standard. Where the MSG has included artisanal and small-scale mining in the scope of EITI reporting, the Validation should assess whether export data from ASM has been disclosed to the extent available.</p> <p>Finally, the Validation could comment on whether estimates conform with international data standards and methodologies for calculating extractive commodity export data.</p> |
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| Revenue collection | |
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| EITI provisions | Guidance to Validation assessments |
| <p>Comprehensive disclosure of taxes and revenues</p> <p>EITI Requirement 4.1.</p> | <p>The objective of this requirement is to ensure comprehensive disclosures of company payments and government revenues from oil, gas and mining as the basis for detailed public understanding of the contribution of the extractive industries to government revenues.</p> |
| | <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures</u></p> <p>The Validation is expected to document whether:</p> <ul style="list-style-type: none"> • The MSG has agreed on a materiality definition for (i) revenue streams and (ii) companies, including any reporting thresholds, as well as the options considered and the rationale for the materiality definition (4.1.b). • The revenue streams considered material are publicly listed and described (4.1.b). |

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| | <ul style="list-style-type: none"> • The revenue streams listed in provision 4.1.c have been considered. Where the MSG has agreed to exclude certain revenue streams from the scope of EITI disclosures, the Validation is expected to document and evaluate the rationale for their exclusion (4.1.c). • The MSG has identified the companies making material payments and whether these companies fully reported all payments in accordance with the materiality definition (4.1.d; and the Independent Administrator TOR). • The MSG has identified the government entities receiving material revenues and whether these government entities fully reported all receipts in accordance with the materiality definition (4.1.d and the Independent Administrator TOR). • The government fully reported all revenues, including any revenues below the materiality thresholds. (Note: revenues for revenue streams below the materiality threshold can be provided in aggregate, if supported by an explanation of specific revenue streams included in the aggregate.) Where the government has not fully disclosed all revenues, the Validation is expected to document the justification provided by the MSG (4.1.d). • The MSG has demonstrated that no company making material payments to government has been exempted from disclosure (4.1.d) • EITI reporting documents any gaps in reporting by material entities and includes an assessment of the impact on the comprehensiveness of the report, where companies or government entities paying or receiving material revenues have not submitted reporting templates, or have not fully disclosed all the payments and revenues. <p>In accordance with the Independent Administrator's TOR, the Validation is expected to provide a summary of the key findings from the Independent Administrator's assessment with regards to the comprehensiveness of the EITI disclosures and coverage of the reliable disclosures.</p> <p><u>Encouraged disclosures</u></p> <p>The Validation is expected to document whether:</p> |
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| | <ul style="list-style-type: none"> The companies making material payments to government have publicly disclosed their audited financial statements, or the main items (i.e. balance sheet, profit/loss statement, cash flows) where financial statements are not available (4.1.e). <p>The Validation should consider and document the discussions by the MSG, although such disclosures are expected, but not required and should not be considered in assessing for compliance with the EITI Standard.</p> |
| <p>In-kind revenues</p> <p>EITI Requirement 4.2</p> | <p>The objective of this requirement is to ensure transparency in the sale of in-kind revenues of minerals, oil and gas to allow the public to assess whether the sales values correspond to market values and ensure the traceability of the proceeds from the sale of those commodities to the national Treasury.</p> <p>The Validation is expected to document whether the requirement is applicable and if it is, document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Applicability of the requirement</u></p> <ul style="list-style-type: none"> Did the state receive any revenues in-kind, either directly or through a SOE, in the period under review? The Validation should make reference to the MSG’s definition of in-kind revenues, in line with EITI Guidance Note 26. Were these in-kind revenues material in the period under review? The Validation is expected to document and evaluate the MSG’s definition of materiality with regards to in-kind revenues. <p><u>Required disclosures</u></p> <p>Where in-kind revenues exist and are considered material, the Validation is expected to document whether:</p> <ul style="list-style-type: none"> These have been fully disclosed in accordance with provision 4.2.a. The volumes and values of in-kind revenues have been disaggregated to levels commensurate with the reporting of other payments and revenue streams (4.7), i.e. disaggregated |

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| | <p>by contract or the legal agreements that give rise to payments made by buying companies.</p> <ul style="list-style-type: none"> • Disclosures include payments related to swap agreements and resource-backed loans, where applicable. • The MSG has considered whether disclosures should be broken down by individual sale, type of product and price. <p><u>Encouraged disclosures</u></p> <p>The Validation is expected to:</p> <ul style="list-style-type: none"> • Comment on whether the EITI disclosures include information such as the type of product, price, market and sale volume, ownership of the product sold and nature of contract. • Comment on whether the EITI disclosures include description of the process for selecting the buying companies, the technical and financial criteria used to make the selection, the list of selected buying companies, any material deviations from the applicable legal and regulatory framework governing the selection of buying companies, and the related sales agreements (4.2.b). • Comment on whether companies buying oil, gas and minerals from the state, including state-owned enterprises (or appointed third parties), have disclosed volumes received from the state or state-owned enterprise and payments made for the purchase of oil, gas and solid minerals (4.2.c). • Document whether there are disclosures of the sales of the SOE's own production or equity oil. • Document whether the MSG has considered the reliability of data on in-kind revenues and considered further efforts to address any gaps, inconsistencies and irregularities in the information disclosed in accordance with Requirement 4.9 (4.2.d). <p>Such efforts are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
| <p>Infrastructure provisions and barter arrangements</p> | <p>The objective of this requirement is to ensure public understanding of infrastructure provisions and barter-type arrangements, which provide a significant share of government benefits from an extractive project, that is commensurate with other cash-based</p> |

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| <p>EITI Requirement 4.3</p> | <p>company payments and government revenues from oil, gas and mining, as a basis for comparability to conventional agreements.</p> <p>The Validation is expected to document whether the requirement is applicable and if it is, document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Applicability of the requirement</u></p> <ul style="list-style-type: none"> • Were there any agreements, or sets of agreements involving the provision of goods and services (including loans, grants and infrastructure works), in full or partial exchange for oil, gas or mining exploration or production concessions or physical delivery of such commodities, active in the period under review? • Were cash or in-kind transactions related to any of these agreements, or sets of agreements, material in the period under review? The Validation is expected to document and evaluate the MSG's definition of materiality with regards to infrastructure provisions and barter arrangements. <p><u>Required disclosures</u></p> <p>Where infrastructure provisions and barter arrangements exist and are considered material, the Validation is expected to document:</p> <ul style="list-style-type: none"> • Whether these revenue flows or value transfers have been fully disclosed in accordance with Requirement 4.3. <p>Infrastructure provisions of contracts that are not in exchange for extractive rights or the future delivery of extractive commodities (partially or fully) are excluded from the definition of infrastructure provisions in Requirement 4.3.</p> |
| <p>Transportation revenues</p> <p>EITI Requirement 4.4</p> | <p>The objective of this requirement is to ensure transparency in government and SOE revenues from the transit of oil, gas and minerals as a basis for promoting greater accountability in extractive commodity transportation arrangements involving the state or SOEs.</p> <p>The Validation is expected to document whether the requirement is applicable and if it is, document the extent to which the required and encouraged aspects of the requirement have been addressed.</p> |

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| | <p>The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Applicability of the requirement</u></p> <ul style="list-style-type: none"> • Did the government, or any extractive SOE, receive any revenues from the transportation of extractive commodities in the period under review? • Were any of these transportation revenues material? The Validation is expected to document and evaluate the MSG's definition of materiality with regards to transportation revenues. <p><u>Required disclosures</u></p> <p>Where transportation revenues exist and are considered material, the Validation is expected to document:</p> <ul style="list-style-type: none"> • Whether these revenue flows have been fully disclosed in accordance with provision 4.4, to levels of disaggregation commensurate with other payments and revenues streams (4.7), with appropriate attention to data quality (4.9). <p><u>Encouraged disclosures</u></p> <p>Disclosure of material transportation revenues is expected, but not required for compliance with the EITI provisions. Where transportation revenues are material but not disclosed, the Validation is expected to:</p> <ul style="list-style-type: none"> • Evaluate whether the MSG has documented and explained the barriers to provision of this information and any government plans to overcome these barriers. • Comment on whether EITI implementation includes additional disclosures in accordance with Requirement 4.4.i-iv. <p>Such disclosures are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
| <p>Transactions between SOEs and government entities</p> <p>EITI Requirement 4.5</p> | <p>The objective of this requirement is to ensure the traceability of payments and transfers involving SOEs and strengthen public understanding of whether revenues accruable to the state are effectively transferred to the state and of the level of state financial support for SOEs.</p> |

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| | <p>The Validation is expected to document whether the requirement is applicable and if it is, document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Applicability of the requirement</u></p> <ul style="list-style-type: none"> • Did any of the material SOEs collect payments from extractive companies in the period under review? Were these transfers material in the period under review? • Did any of the material SOEs make payments to government or receive transfers from government in the period under review? Were these payments and transfers material in the period under review? <p><u>Required disclosures</u></p> <p>The Validation is expected to:</p> <ul style="list-style-type: none"> • Verify that EITI disclosures describe the role of any SOEs operating in the country. • Document whether SOE transactions have been fully disclosed in accordance with Requirement 4.5, where SOEs make payments to the government, collect material revenues on behalf of the state, or both, and where financial transfers between government entities and SOEs exist and are material. This should include comprehensive and reliable disclosures of material company payments to SOEs, SOE transfers to government agencies, and government transfers to SOEs. • Clearly distinguish between transactions specific to SOEs and payment streams common to all companies covered under Requirement 4.1. |
| <p>Subnational direct payments</p> <p>EITI Requirement 4.6</p> | <p>The objective of this requirement is to enable stakeholders to gain an understanding of benefits that accrue to local governments through transparency in companies' direct payments to subnational entities and to strengthen public oversight of subnational governments' management of their internally-generated extractive revenues.</p> |

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| | <p>The Validation is expected to document whether the requirement is applicable and if it is, document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Applicability of the requirement</u></p> <ul style="list-style-type: none"> • Do extractives companies make payments to subnational government entities directly? What are the applicable legal and regulatory provisions? • Were these payments material in the period under review? <p><u>Required disclosures</u></p> <p>The Validation is expected to document and evaluate:</p> <ul style="list-style-type: none"> • The MSG's definition of materiality with regards to direct subnational payments. • Whether these revenue flows have been fully disclosed with appropriate attention to data quality (4.9) in accordance with Requirement 4.6, where direct subnational payments exist and are considered material. |
| <p>Level of disaggregation</p> <p>EITI Requirement 4.7</p> | <p>The objective of this requirement is to ensure disaggregation in public disclosures of company payments and government revenues from oil, gas and mining that enables the public to assess the extent to which the government can monitor its revenue receipts as defined by its legal and fiscal framework, and that the government receives what it ought to from each individual extractive project.</p> <hr/> <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures</u></p> <p>The Validation is expected to document whether:</p> <ul style="list-style-type: none"> • The financial data disclosed is disaggregated by individual company, government entity and revenue stream. |

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| | <ul style="list-style-type: none"> The financial data is disaggregated by individual project, for EITI data relating to fiscal years ending on or after 31 December 2018, in accordance with the definition of project provided in the EITI Standard (4.7). |
| <p>Data timeliness</p> <p>EITI Requirement 4.8</p> | <p>The objective of this requirement is to ensure that public disclosures of company payments and government revenues from oil, gas and mining are sufficiently timely to be relevant to inform public debate and policy-making.</p> <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. Finally, the Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures</u></p> <p>The Validation is expected to document whether:</p> <ul style="list-style-type: none"> The implementing country has published regular and timely information in accordance with the EITI Standard, the agreed work plan (1.5) and provision 4.8; EITI Reports have been published according to the revised deadlines, where reporting extensions have been granted by the Board; The MSG has agreed the accounting period covered by EITI disclosures. |
| <p>Data quality</p> <p>EITI Requirement 4.9 and the standard procedures for data quality and assurance</p> | <p>The objective of this requirement is to ensure that appropriate measures have been taken to ensure the reliability of disclosures of company payments and government revenues from oil, gas and mining. The aim is for the EITI to contribute to strengthening routine government and company audit and assurance systems and practices and ensure that stakeholders can have confidence in the reliability of the financial data on payments and revenues.</p> <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> |

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| | <p><u>Required disclosures</u></p> <p>The Validation is expected to:</p> <ul style="list-style-type: none"> • Document if and when the MSG agreed a procedure to address data quality and assurance based on a standard procedure endorsed by the EITI Board (4.9.b). • Review the standard procedures agreed by the MSG and document whether the standard procedures are in accordance with the standard procedures endorsed by the EITI Board and ensure that the payments and revenues disclosed are subject to credible, independent audit, applying international auditing standards (4.9.a-b). The Validation is expected to highlight any major deviations (4.9.b). <p>In the event that the EITI Board have approved that the MSG deviates from the standard procedures of 4.9.b, the Validation is expected to document:</p> <ul style="list-style-type: none"> • That the rationale for deviating from the standard procedures continues to be applicable; • That there is routine disclosure of the data required by the EITI Standard in requisite detail; • Whether financial data is subject to credible, independent audits, applying international standards, and; • Whether there is sufficient data retention of historical data. <ul style="list-style-type: none"> • In the event that the MSG applied a procedure in accordance with the standard procedures endorsed by the EITI Board, the Validation is expected to document if and when the MSG have: <ul style="list-style-type: none"> - Agreed on reporting templates; - Undertaken a review of the audit and assurance procedures in companies and government entities participating in EITI reporting; - Agreed on the assurances to be provided by the participating companies and government entities to assure the credibility of the data, including the types of assurances |
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| | <p>to be provided, the options considered and the rationale for the agreed assurances;</p> <ul style="list-style-type: none"> - Agreed on appropriate provisions for safeguarding confidential information. <ul style="list-style-type: none"> • In the event that the MSG applied a procedure in accordance with the standard procedures endorsed by the EITI Board, the Validation is expected to: <ul style="list-style-type: none"> - Verify that there is documentation of whether reporting companies and government entities had their financial statements audited in the financial year(s) covered by EITI reporting, and whether any gaps have been identified (4.9.a); - Provide a summary of the key findings from the assessment of the reliability of the data disclosed by companies and government entities; - Verify that any non-financial (contextual) information is clearly sourced; <p>Where the Validation has identified non-material deviations from the Board-approved standard procedures for data quality and assurance, it is expected to evaluate whether such deviations have hindered the broader objective of reliable disclosure of taxes and revenues.</p> |
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| Revenue management and distribution | |
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| EITI provisions | Guidance to Validation assessments |
| Distribution of revenues EITI Requirement 5.1. | The objective of this requirement is to ensure the traceability of extractive revenues to the national budget and ensure the same level of transparency and accountability for extractive revenues that are not recorded in the national budget. |
| | The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views. |

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| | <p><u>Required disclosures</u></p> <p>The Validation is expected to document whether:</p> <ul style="list-style-type: none"> • All cash or in-kind revenues collected from oil, gas and mining companies are recorded in the national budget or in the budgets of subnational government entities, such as states or municipalities. • Information has been disclosed on at least material revenues collected from oil, gas and mining companies by government entities or on their behalf not recorded in either the national budget or the budgets of subnational government entities: <ul style="list-style-type: none"> ○ The allocation of revenues to extra-budgetary entities, such as development or sovereign wealth funds; ○ Any extractive revenues collected by a government entity, or on behalf of the government (e.g. by an SOE), that are retained by that entity and not recorded in the national or subnational budget. • The MSG's documentation of gaps and plans to address the weakness, where the allocation of certain material revenue streams is unclear, i.e. the revenues are not recorded in national or subnational budgets and there is no information publicly available on which entity manages the revenues and on what basis <p>These disclosures should include or consist of financial or other relevant reports demonstrating the basis of the allocation of revenues and actual allocations in the period under review. These could include, for example, links to the national and relevant subnational budgets in the year under review and links to, for example, audit reports concerning the management of special funds.</p> <p><u>Encouraged disclosures</u></p> <p>The Validation is expected to document:</p> <ul style="list-style-type: none"> • References to any national revenue classification systems or international data standards (5.1.b). <p>Such references are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
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| <p>Sub-national transfers</p> <p>EITI Requirement 5.2.</p> | <p>The objective of this requirement is to enable stakeholders at the local level to assess whether the transfer and management of subnational transfers of extractive revenues are in line with statutory entitlements.</p> |
| | <p>The Validation is expected to document whether the requirement is applicable and if it is, document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Applicability of the requirement</u></p> <ul style="list-style-type: none"> • Are there transfers between national and subnational government entities that are related to extractive sector revenues and mandated by a constitution, statute or other revenue sharing mechanism? • Were these transfers material in the period under review? <p><u>Required disclosures</u></p> <p>The Validation is expected to document whether the following has been publicly disclosed:</p> <ul style="list-style-type: none"> • Material transfers between the central government and each relevant subnational government entity; • Revenue sharing formula; • Any discrepancy between the revenue sharing formula and the actual amount transferred, disaggregated by local government unit. <p><u>Encouraged disclosures</u></p> <p>The Validation is expected to document:</p> <ul style="list-style-type: none"> • MSG agreement of a procedure for addressing data quality in accordance with Requirement 4.9; • Material discretionary or ad hoc transfers between national and subnational government; |

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| | <ul style="list-style-type: none"> • Further information on how extractive revenues earmarked for specific programmes or investments at the subnational level are managed, and actual disbursements. <p>Such disclosures are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
| <p>Additional information on revenue management and expenditures</p> <p>EITI Requirement 5.3</p> | <p>The objective of this requirement is to strengthen public oversight of the management of extractive revenues, the use of extractives revenues to fund specific public expenditures and the assumptions underlying the budget process.</p> <p>The Validation is expected to document the extent to which the encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Encouraged disclosures</u></p> <p>The Validation is expected to comment on whether:</p> <ul style="list-style-type: none"> • EITI implementation addresses a description of any extractive revenues earmarked for specific programmes or geographic regions, including a description of the methods for ensuring efficiency and accountability in their use, in accordance with provision 5.3.a. • EITI implementation addresses a description of the country's budget and audit processes and links to publicly available information about budgeting and expenditure (5.3.b). • The MSG has disclosed any further information related to the budget cycle, production and commodity price assumptions and revenue sustainability, resource dependence, and revenue forecasting (5.3.c). <p>Such disclosures are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |

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| Social and economic spending | |
| EITI provisions | Guidance to Validation assessments |

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| <p>Social and environmental expenditures</p> <p>EITI Requirement 6.1</p> | <p>The objective of this requirement is to enable public understanding of extractive companies' social and environmental contributions and provide a basis for assessing extractive companies' compliance with their legal and contractual obligations to undertake social and environmental expenditures.</p> |
| | <p>The Validation is expected to document whether the requirement is applicable and if it is, document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Applicability of the requirement</u></p> <ul style="list-style-type: none"> • Are companies required to undertake social expenditures by law or the terms of the contract governing their extractive investment? Were these social expenditures material in the period under review? The Validation is expected to document the MSG's definition of materiality with regards to mandatory social expenditures. • Are companies required to undertake environmental expenditures by law or the terms of the contract governing their extractive investment? Were these environmental expenditures material in the period under review? The Validation is expected to document the MSG's definition of materiality with regards to mandatory environmental expenditures. <p><u>Required disclosures</u></p> <ul style="list-style-type: none"> • Where mandatory social expenditures exist and are material, the Validation is expected to verify whether these have been disclosed, with appropriate attention to data quality (4.9), in accordance with provision 6.1.a, including any gaps. • Where mandatory environmental payments exist and are material, the Validation is expected to verify whether these have been disclosed, with appropriate attention to data quality (4.9), in accordance with provision 6.1.b, including any gaps. <p><u>Encouraged disclosures</u></p> |

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| | <ul style="list-style-type: none"> The Validation is expected to document whether the MSG has disclosed discretionary social and environmental expenditures, with appropriate attention to data quality (4.9), in accordance with provision 6.1.c. <p>Such disclosures are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
| <p>SOE quasi fiscal expenditures</p> <p>EITI Requirement 6.2</p> | <p>The objective is that where state-owned enterprises undertake extractive-funded expenditures on behalf of the government that are not reflected in the national budget, these are disclosed to ensure accountability in their management.</p> <p>The Validation is expected to document whether the requirement is applicable and if it is, document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Applicability of the requirement</u></p> <ul style="list-style-type: none"> Do extractive SOEs undertake quasi-fiscal expenditures? Were these quasi-fiscal expenditures material in the period under review? The Validation is expected to document the MSG's definition of materiality with regards to quasi-fiscal expenditures by SOEs, including SOE subsidiaries and joint ventures, with reference to the IMF's definition of quasi-fiscal expenditures. <p><u>Required disclosures</u></p> <ul style="list-style-type: none"> Where quasi-fiscal expenditures exist and are material, the Validation is expected to document the reporting process developed by the MSG for disclosure of quasi-fiscal expenditures and verify that these expenditures have been disclosed accordingly (6.2). |
| <p>Contribution of the extractive sector to the economy</p> <p>EITI Requirement 6.3</p> | <p>The objective of this requirement is to ensure a public understanding of the extractive industries' contribution to the national economy and the level of natural resource dependency in the economy.</p> <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been</p> |

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| | <p>addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures</u></p> <p>The Validation is expected to document whether available information about the contribution of the extractive industries to the economy for the year(s) covered by EITI disclosures has been disclosed (6.3), including:</p> <ul style="list-style-type: none"> • Gross Value Added of the extractive sector (known as “Mining and Quarrying” under the UN’s System of National Accounts), and its percentage contribution towards Gross Domestic Product; • An estimate of the informal sector activity, including but not necessarily limited to artisanal and small-scale mining; • Government revenues from the extractive sector, and its percentage contribution towards total government revenues; • Exports of the extractive sector, and its percentage contribution towards total exports of the country; • Number of employed persons in the extractive sector, by gender, and their percentage contribution towards total employment numbers; • Key regions/areas where production is concentrated. <p><u>Expected disclosures</u></p> <ul style="list-style-type: none"> • Where required information is not available from official sources, the Validation is expected to document stakeholder attempts to provide other methodologically-sound estimates; <p><u>Encouraged disclosures</u></p> <ul style="list-style-type: none"> • When available, the Validation is expected to comment on whether information on employment is disaggregated by company and occupational level. |
| Environmental impact | <p>The objective of this requirement is to provide a basis for stakeholders to assess the adequacy of the regulatory framework and monitoring efforts to manage the environmental impact of</p> |

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| EITI Requirement 6.4 | <p>extractive industries, and to assess extractive companies' adherence to environmental obligations.</p> <p>The Validation is expected to document the extent to which the encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Encouraged disclosures</u></p> <p>The Validation is expected to comment on whether:</p> <ul style="list-style-type: none"> • EITI implementation addresses the management and monitoring of the environmental impact of the extractive industries, in accordance with provision 6.4. • EITI implementation addresses relevant legal provisions, administrative rules as well as actual practice related to environmental management and monitoring of extractive investments in the country (6.4.a). • EITI implementation addresses regular environmental monitoring procedures, administrative and sanctioning processes of governments, as well as environmental liabilities, environmental rehabilitation and remediation programs (6.4.b). <p>Such disclosures are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
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Part III: Outcomes and impact

| Outcomes and impact | |
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| EITI provisions | Guidance to Validation assessments |
| <p>Public debate</p> <p>EITI Requirement 7.1</p> | <p>The objective of this requirement is to enable evidence-based public debate on extractive industry governance through active communication of relevant data to key stakeholders in ways that are accessible and reflect stakeholders' needs.</p> |

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| | <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures</u></p> <ul style="list-style-type: none"> • The Validation is expected to document and evaluate whether the EITI disclosures, including government and company disclosures, are comprehensible, have been actively promoted, are publicly accessible to a diverse range of stakeholder groups and have contributed to public debate (7.1.a). This should include ensuring that EITI disclosures are widely accessible. The Validation is expected to document whether communications and dissemination activities has taken into account the diversity of population in terms of age, gender, ethnicity, languages, class and educational background. The Validation’s review should include consideration of whether information has been distributed in appropriate languages; consideration for access challenges and information needs of different genders and subgroups of citizens at the national and subnational levels; and the accessibility and social inclusivity of dissemination and outreach activities. <p><u>Encouraged disclosures</u></p> <p>The Validation is expected to:</p> <ul style="list-style-type: none"> • Comment on whether the MSG has produced brief summary reports, summarised and compared the shares of each revenue streams and undertaken capacity-building efforts to improve the understanding of EITI disclosures, particularly on specific issues or topics that are considered priorities by national and local stakeholders (7.1.b). • Document the MSG’s use of various dissemination channels for EITI findings, such as forums, workshops, broadcasts and digital channels. • Comment on evidence of public debate related to EITI or use of EITI information by all stakeholders (including the legislature, subnational governments and other policy arenas), taking into account the local context. |
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| | Such efforts are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard. |
| Data accessibility EITI Requirement 7.2 | <p>The objective of this requirement is to enable the broader use and analysis of information on the extractive industries, through the publication of information in open data and interoperable formats.</p> <p>The Validation is expected to document the extent to which the required aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures</u></p> <p>The Validation should document whether:</p> <ul style="list-style-type: none"> • The MSG has agreed a policy on the access, release and reuse of EITI data. The Validation should document whether government agencies and companies have published data under an open license and made users aware that information can be reused without prior consent (7.2.a). • The MSG has made all EITI disclosures available in machine readable, open data format (7.2.b). • The MSG has completed summary data files for each fiscal year covered by the EITI in accordance with the template approved by the EITI Board (7.2.c). <p><u>Encouraged disclosures</u></p> <ul style="list-style-type: none"> • The Validation should document whether the MSG has made systematically disclosed data machine readable and inter-operable, e.g. by using data standards, and has coded or tagged EITI disclosures and other data files so that the information can be compared with other publicly available data (7.2.d). |
| Recommendations from EITI implementation EITI Requirement 7.3 | The objective of this requirement is to ensure that EITI implementation is a continuous learning process that contributes to policy-making, based on the MSG regularly considering findings and recommendations from the EITI process and acting on those recommendations it deems are priorities. |

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| | <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures</u></p> <p>The Validation is expected to:</p> <ul style="list-style-type: none"> • Document the government and MSG’s progress in taking steps to act upon lessons learned, identifying, investigating and addressing the causes of any information gaps or discrepancies in EITI implementation, and progress in responding to the recommendations made by the Independent Administrator (7.3). • Comment on mechanisms established by the MSG for following up on recommendations and discrepancies. <p><u>Encouraged disclosures</u></p> <ul style="list-style-type: none"> • The Validation is expected to comment on whether the MSG has considered recommendations for strengthening government systems and natural resource governance, and followed up on such recommendations where appropriate (7.3). <p>Such efforts are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
| <p>Outcomes and impact of EITI implementation on natural resource governance</p> <p>EITI Requirement 7.4.</p> | <p>The objective of this requirement is to ensure regular public monitoring and evaluation of implementation, including evaluation of whether the EITI is delivering on its objectives, with a view to ensuring the EITI’s own public accountability.</p> <hr/> <p>The Validation is expected to document the extent to which the required and encouraged aspects of the requirement have been addressed. The Validation is expected to assess whether the objective of the requirement has been achieved, based on disclosures and stakeholder views.</p> <p><u>Required disclosures</u></p> <p>The Validation is expected to document the MSG’s efforts to review outcomes and impact of EITI implementation on natural resource governance, including whether annual activity reports or forms of</p> |

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| | <p>documentation agreed by the MSG have been produced and contain the information set out in provision 7.4.a. The annual review of outcomes and impact should include a summary of EITI activities, an assessment of progress in meeting EITI Requirements, an overview of the MSG's responses to EITI recommendations, an assessment of progress in meeting work plan objectives, a narrative account of efforts to strengthen the EITI's impact.</p> <p><u>Encouraged disclosures</u></p> <p>The Validation is expected to comment on:</p> <ul style="list-style-type: none"> • Any consultations undertaken by the MSG toward giving all stakeholders an opportunity to provide feedback on the EITI process and the impact of the EITI, and have their view reflected in the annual review of outcomes and impact (7.4.b). • The MSG's documentation of its efforts to take gender considerations and inclusiveness into account (7.4.a.v), <p>Such efforts are encouraged, but not required and should not be considered in assessing compliance with the EITI Standard.</p> |
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Effectiveness and sustainability of EITI implementation

This section captures the effectiveness and sustainability of the country's EITI implementation, drawing on common indicators. The effectiveness and sustainability indicators seek to capture the outcomes of EITI implementation across countries, identifying opportunities for improvement.

These indicators will support the MSG in designing objectives and activities for EITI implementation. The assessment of effectiveness and sustainability will provide evidence that will help sustain stakeholder support and mobilise resources for EITI implementation. The assessment of effectiveness and sustainability is expected to review the following aspects of EITI implementation:

- **EITI implementation addresses nationally relevant extractive sector governance challenges or risks.** (This indicator could also recognise disclosures, stakeholder engagement and other efforts beyond the EITI Standard.)

Key questions:

- What are the objectives of EITI implementation? How were these developed?
- Does EITI implementation address relevant extractive sector challenges? If yes, which ones?

- Has the MSG considered opportunities to go beyond the minimum requirements of the EITI Standard? If yes, how and in what areas?
- Has the MSG discussed other issues related to extractive sector governance?
- What are the innovative aspects in the objectives and activities? What are the links to national reform efforts, in particular regarding transparency and accountability?
- Has EITI implementation led to the desired outcomes? Where objectives have not been achieved, what are the impediments and how can these be addressed?
- How do stakeholders see the EITI developing?

Key evidence to be considered:

- EITI work plan objectives; MSG assessment of outcomes and impacts; minutes of MSG meetings and outreach and dissemination activities; stakeholder comments, including stakeholders not directly involved in the MSG, communications strategy which reviews key “user needs” / issues of public concern in the sector.
- **Extractive sector data is disclosed systematically through routine government and corporate reporting.**

Key questions:

- To what extent is data within the scope of the EITI Standard disclosed routinely through government and company reporting, rather than EITI reporting? Which innovative approaches to disclosure have been developed?
- Are there medium-term plans for integrating the EITI in government and company systems?
- Are there parts of the EITI reporting process that can be integrated with existing government and company systems, for example with regards to licensing databases, national statistical data, audit procedures, company filings of production data and tax payments, open budget data, etc.?
- Are there reforms underway in the areas covered by the EITI Standard and the MSG’s workplan where there are opportunities for mainstreaming EITI disclosures?

Key evidence to be considered:

- Specific disclosures by government and company systems that do not rely on annual EITI data collection; EITI work plan related to systematic disclosures; MSG efforts to promote systematic disclosures; stakeholder comments.
- **There is an enabling environment for citizen participation in extractive sector governance, including participation by affected communities.**

Key questions:

- Does the legislative and regulatory environment for the extractive industries, and its application, support the participation of citizens, including affected communities, in decision-making about how extractive resources are governed? What are the most significant areas of improvement?
- Has the MSG reviewed these policies and practices and contributed to strengthening citizen participation?
- Is there evidence that any technical and financial capacity constraints are preventing stakeholders from engaging in the EITI in the longer term?
- Has EITI implementation had an effect on communities in regions with extractive activities?
- Has the EITI contributed to changes in civic space related to extractives governance?

Key evidence to be considered:

- MSG assessment of outcomes and impacts; minutes of MSG meetings and outreach and dissemination activities, both on national and subnational level; international civic space indicators/rankings; stakeholder comments. MSG engagement with local and national decision-making fora to strengthen citizen participation.

- **Extractive sector data is accessible and used for analysis, research and advocacy.**

Key questions:

- Do governments and companies provide data and information that serves stakeholders' needs?
- Is extractive sector data available in a usable format that allows interested stakeholders to access and analyse it? Is data available in a timely manner, in line with EITI Requirement 4.8 and national policies?
- Is there evidence of stakeholders using and analysing publicly available data?
- Has the EITI led to public debate, and strengthened accountability mechanisms at the national and subnational levels?
- Are there opportunities for strengthening EITI implementation by addressing the encouraged aspects of the 2019 EITI Standard?

Key evidence to be considered:

- News articles, reports, analyses and advocacy campaigns that make use of extractive sector data; efforts to publish information targeted for specific stakeholders; MSG assessment of outcomes and impacts; Assessment of EITI Requirements 7.1 and 7.2; Minutes of MSG meetings and outreach and dissemination activities; stakeholder comments.

- **EITI has informed changes in extractive sector policies or practices.**

Key questions:

- Have stakeholders, and decision-makers used the data, analysis or recommendations that were published as result of EITI implementation when revising or implementing extractive sector policies or practices, or when otherwise exercising oversight of the extractive sector?
- Has EITI implementation resulted in government agencies and/or companies changing their practices?
- Is there tangible evidence of improvements in government and company systems, procedures, policies and practices as a result of EITI implementation, in addition to anecdotal evidence?

Key evidence to be considered:

- News articles, reports, analyses and advocacy campaigns related to government and company reforms that make use of data disclosed as part of EITI implementation; evidence of parliamentary use of the data; MSG assessment of outcomes and impacts, especially follow-up on recommendations; minutes of MSG meetings and outreach and dissemination activities; stakeholder comments.

[To be completed by the MSG: Where the MSG wishes that Validation pays particular attention to assessing certain objectives or activities, these should be outlined here upon the request of the MSG.]

Innovations and efforts to extend the scope of EITI implementation

The multi-stakeholder group is invited to highlight efforts to extend the scope of EITI implementation beyond the EITI provisions to address nationally and locally relevant challenges. The MSG is encouraged to document the objectives of these efforts, as well as as actual and expected outcomes and impact. The MSG may wish to assess and document the extent to which the efforts have led to the expected outcomes. This section will not be assessed as part of Validation, but information provided may be used to assess performance on the effectiveness and sustainability indicators.