

Validation of Guyana:

Final assessment of progress in implementing the EITI Standard

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Acronyms

AML	Anti-Money Laundering
BCMG	Bauxite Company of Guyana Inc.
BMGGI	Bonsai Minerals Group Guyana Inc.
BO	Beneficial ownership
CFT	Combatting Financing of Terrorism
CSO	Civil Society Organisation
EIA	Environmental Impact Assessment
EITI	Extractive Industries Transparency Initiative
EMP	Environmental Management Plan
EPA	Environmental Protection Agency
FATF	Financial Action Task Force
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GGB	Guyana Gold Board
GGDMA	Guyana Gold and Diamond Miners Association
GGMC	Guyana Geology and Mines Commission
GRA	Guyana Revenue Authority
GWMA	Guyana Women Miners Association
GY-EITI	Guyana EITI
IA	Independent Administrator
IMF	International Monetary Fund
IOC	International Oil Company
LCDS	Low Carbon Development Strategy
MSG	Multi-Stakeholder Group
NC	National Coordinator
NICIL	National Industrial and Commercial Investments Limited
NIS	National Insurance Scheme
PSC	Production-Sharing Contract
SOE	State-Owned Enterprise
ToR	Terms of Reference

Executive summary

This Validation report presents the findings of the International Secretariat's Validation of Guyana, which commenced on 1 October 2021. The draft report was finalised for review by the multi-stakeholder group (MSG) on 6 December 2021. Following comments from the MSG on 31 January 2022, the Validation report was finalised for consideration by the EITI Board. The assessment suggests that Guyana has fully met six EITI Requirements, mostly met six and partly met 14 requirements.

Key achievements

- Through EITI implementation, Guyana has successfully established the country's first functioning platform for multi-stakeholder discussions of the governance of the extractive industries. Guyana committed to the EITI in 2017 as a way of bringing transparency to the established mining sector, the nascent oil industry and to other natural resource sectors. This forum has been leveraged by civil society to ensure disclosures on areas of public interest, including contract transparency, commodity sales and environmental aspects of the extractive industries. While EITI disclosures have brought key evidence to support public debate, there is scope for GYEITI to promote more analytical and substantive debates, building on the vibrant public debate on the nascent oil and gas sector and the findings from EITI Reports.
- Guyana has sought to tailor the scope of its EITI implementation to address public demands for information beyond the mining, oil and gas sectors. The two EITI Reports published to date have expanded coverage to the forestry and fisheries sectors, economically important sectors of activity that have a significant impact on host communities. Given the competing land uses between these four sectors, disclosures related to licensing and property rights have garnered particular public attention.
- In the most recent phase of implementation, particularly since 2021, Guyana EITI has sought to develop innovative outreach and dissemination channels such as youth competitions, social media, newsletters and hybrid (virtual and in-person) public conferences to stimulate public debate on the extractive industries. Such innovations are commendable following a challenging year of a triple crisis in Guyana, when political elections coincided with unprecedented floods and the Covid-19 pandemic. However, the MSG's comments on the draft assessment noted that the innovative outreach efforts during the pandemic had not been sufficiently regular and that it plans more sustained and effective outreach as part of the 2022-23 EITI work plan.

Areas for development

- While the MSG has often discussed issues related to extractive sector governance beyond the minimum scope of the EITI Standard, such as the energy transition, environmental impacts and gender aspects of the extractive industries, these issues are not reflected in the objectives for Guyana's EITI implementation or of the Guyana EITI

work plan. Ensuring that a broad range of government, industry and civil society constituencies are consulted in developing the annual work plan would help ensure that the EITI is supporting national reform objectives.

- While civil society has been a driving force in implementation, there have been weaknesses in government and industry engagement in the EITI process, including in disclosures of required data. While weaknesses in government engagement in 2020 were largely due to the triple crisis, delays in reconstituting the MSG in 2021 reflect ongoing weaknesses that have impacted EITI implementation. Weaknesses in industry participation in EITI reporting, particularly in the mining sector, reflect challenges in the constituency's coordination and engagement. Some tensions between the MSG and the national secretariat, documented in MSG meeting minutes, have affected the MSG's capacity to fulfil its responsibilities. Ensuring a balance of views in developing objectives for EITI implementation could contribute to strengthening government and industry engagement.
- Guyana's EITI reporting has shed some light on the government's revenues from the extractive industries for the first time, although weaknesses in company reporting and taxpayer confidentiality constraints mean that only a minority of the government's revenues have been disclosed through EITI to date to the levels of disaggregation and reliability required under the EITI. Combined with weaknesses in government systems and record-keeping, including the lack of integration between databases of line ministries and the Ministry of Finance, gaps in EITI disclosures are linked to weaknesses in tax administration in the extractive industries in Guyana, including in the lack of consistent tax identification numbers for instance. Ensuring complete and reliable revenue disclosures would yield important evidence to support the government's public finance management reforms.

Progress in implementation

EITI Validation assesses countries against three components – “Stakeholder engagement”, “Transparency” and “Outcomes and impact”.

Stakeholder engagement

Guyana has established a functioning MSG to oversee the EITI process, although weaknesses in government and industry engagement have impacted the MSG's oversight of implementation, for instance through gaps in the provision of data and the lack of robust mechanisms for consulting the broader constituencies. Factors external to the EITI implementation process, including national flooding, national elections and a change in administration and the Covid-19 pandemic have impacted government engagement in EITI since 2020. In addition to such external factors affecting MSG governance, government delays in reconstituting the MSG for several months in 2021 reflect weaknesses in government engagement. Likewise, industry engagement has been driven primarily by the oil and gas industry and a minority of the mining sector, which has created gaps in disclosures on the mining sector given the low number of mining companies that report in the EITI.

Transparency

Guyana has used its annual EITI reporting to start disclosing information on the extractive industries, amidst a relatively low level of pre-existing systematic disclosures of EITI data. Guyana's EITI reporting has made progress in clarifying the statutory framework and administrative procedures related to the governance of the extractive industries, even if it has yet to start using annual EITI Reports as a diagnostic of deviations in practice. A number of key disclosures related to the nascent oil and gas sector have responded at least in part to public demands for information, including in the publication of some oil and gas contracts as well as crude oil sales data since 2020. Limited disclosures from the mining sector have created gaps in the comprehensiveness of public information on this historically dominant extractive sector. A majority of mining companies selected to participate in EITI reporting have refused to engage, causing weaknesses in the comprehensiveness and reliability of Guyana EITI's financial data disclosures. Greater government and industry disclosures would ensure improved coverage through GY-EITI of the extractive industries.

Outcomes and impact

Guyana has sought to use the EITI to generate public debate and governance reforms, although the lack of a systematic approach to outreach, dissemination and follow-up on EITI recommendations has weakened the EITI's broader impacts to date. The MSG has made commendable efforts to overcome the crises of 2020 through innovative outreach channels. Yet such efforts appear to have been driven by civil society, while engagement has been driven by MSG representatives from government and industry, rather than their broader constituencies. The MSG has yet to formulate a clear policy on open data disclosures and the level of EITI data disclosures in open format remains low. The lack of a mechanism to consistently follow up on recommendations has meant that, while the EITI has provided input to ongoing legal and regulatory reforms, changes attributable to the EITI have not yet been documented. Drawing on these lessons learned on the EITI's impact to date, the MSG could strengthen its annual work planning by improving the mechanisms for systematic follow-up on EITI recommendations and ensure proactive efforts to contribute to meaningful public debate. The MSG's comments on the draft assessment highlighted administrative procedures from the Ministry of Natural Resources that caused delays in contributing to public debate or responding to interview requests, given the need for government approval of all MSG members' statements.

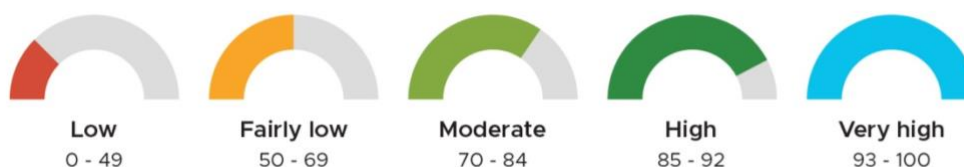
Figure 1 Scorecard: Summary of progress in the Validation of Guyana

Component & module	EITI Requirement	Progress	Score
Outcomes and impact		Low	42/100
Extra points	Effectiveness and sustainability indicators		0
Outcomes and impact	Work plan (#1.5)	Mostly met	60
	Public debate (#7.1)	Mostly met	60
	Data accessibility and open data (#7.2)	Partly met	30
	Recommendations from EITI (#7.3)	Partly met	30
	Outcomes & impact (#7.4)	Partly met	30
Stakeholder engagement		Fairly low	60/100
Multi-stakeholder oversight	Government engagement (#1.1)	Mostly met	60
	Industry engagement (#1.2)	Mostly met	60
	Civil society engagement (#1.3)	Fully met	90
	MSG governance (#1.4)	Partly met	30
Transparency		Fairly low	53.5/100
Overview of the extractive industries	Exploration data (#3.1)	Fully met	90
	Economic contribution (#6.3)	Fully met	90
Legal and fiscal framework	Legal framework (#2.1)	Fully met	90
	Contracts (#2.4)	Partly met	30
	Environmental impact (#6.4)	Not assessed	-
Licenses	Contract and license allocations (#2.2)	Partly met	30
	License register (#2.3)	Mostly met	60
Ownership	Beneficial ownership (#2.5)	Partly met	30
State participation	State participation (#2.6)	Partly met	30
	In-kind revenues (#4.2)	Not applicable	-
	SOE transactions (#4.5)	Partly met	30
	SOE quasi-fiscal expenditures (#6.2)	Partly met	30
Production and exports	Production data (#3.2)	Fully met	90
	Export data (#3.3)	Fully met	90
Revenue collection	Comprehensiveness (#4.1)	Partly met	30
	Barter agreements (#4.3)	Not applicable	-
	Transportation revenues (#4.4)	Not applicable	-
	Disaggregation (#4.7)	Partly met	30
	Data timeliness (#4.8)	Fully met	90
	Data quality (#4.9)	Partly met	30
Revenue management	Distribution of revenues (#5.1)	Mostly met	60
	Revenue management & expenditures (#5.3)	Not assessed	-
Subnational contributions	Direct subnational payments (#4.6)	Not applicable	-
	Subnational transfers (#5.2)	Not applicable	-
	Social and environmental expenditures (#6.1)	Partly met	30
Overall score		Fairly low	52/100

How EITI Validation scores work

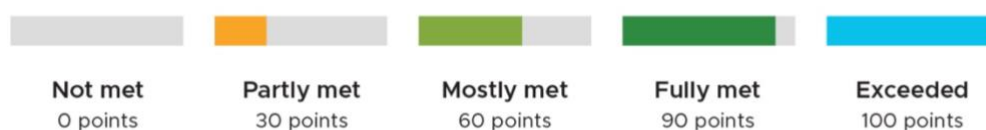
Component and overall score

The three components of EITI Validation – “Transparency”, “Stakeholder engagement” and “Outcomes and impact” – each receive a score out of 100. The overall score represents an average of the component scores.



Assessment of EITI Requirements

Validation assesses the extent to which each EITI Requirement is met, using five categories. The component score is an average of the points awarded for each requirement that falls within the component.



- **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.
- **Not assessed**: Disclosures are encouraged, but not required and thus not considered in the score.
- **Not applicable**: The MSG has demonstrated that the requirement doesn’t apply.

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 situation is described in the assessment.

1. Effectiveness and sustainability indicators

The country is awarded 0, 0.5 or 1 point for each of the five indicators. The points are added to the component score on Outcomes and impact.

1.1 National relevance of EITI implementation

This indicator considers the extent to which EITI implementation in Guyana addresses nationally relevant extractive sector challenges and risks.

Guyana has sought to develop annual EITI work plans that are generally aligned with national priorities to ensure that the extractive industries contribute to sustainable development, although the specific objectives for implementation are more narrowly focused on aspects of EITI reporting and implementation. Nonetheless, certain activities of the [2021 GY-EITI work plan](#) relate to broader national priorities of extractive contract disclosure, identifying the environmental impacts of the extractive industries and the development of a public beneficial ownership register. Successive EITI work plans' extension of the scope of reporting to the fisheries and forestry sectors reflects the MSG's efforts to go beyond the minimum requirements of the EITI Standard. While MSG meeting minutes reflect discussions of other issues related to extractive sector governance, such as the energy transition, environmental impacts and gender aspects of the extractive industries, these considerations are only tangentially reflected in the work plan, with only certain activities related to improving the gender balance on the MSG for instance. While there is evidence that the MSG as a whole was involved in the development of work plan objectives and activities, there is little evidence of broader outreach to the respective constituencies to canvass for input in the development of implementation and work plan objectives. While MSG members appear to represent their constituencies, there is no evidence of robust constituency coordination mechanisms to support this representation in practice.

Vibrant public debate in the press on the extractive industries indicates that challenges in Guyana's extractive industries include ensuring transparency in the country's nascent oil and gas production and exports, the fiscal terms governing mining, oil and gas projects, the environmental impacts of extractive projects and artisanal and small-scale mining. However, there is only limited evidence of use of EITI data in research, advocacy and lobbying related to these issues. Most stakeholders consulted considered that the broader objective of the EITI, contributing to ensuring that the extractive industries contribute to sustainable development, was only beginning to be fulfilled. Rather, the early years of EITI implementation had been focused on establishing an EITI reporting process and addressing the MSG's governance challenges, rather than drawing on EITI findings to drive an evidence-based public debate on issues of national priority. Stakeholder consultations demonstrated that there is demand for EITI to do further work on licensing practices, environmental impacts of extractive projects, and the government's management of extractive revenues and expenditures.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

1.2 Systematic disclosures of extractive industry data

Guyana systematically discloses information on some aspects of the legal and regulatory framework for the extractive industries, as well as on extractive production and exports, although the majority of data required by the EITI Standard is only publicly disclosed through the annual EITI Report. Relevant laws and regulations are published on the websites of the [Ministry of Legal Affairs, Parliament](#), the [Guyana Geology and Mines Commission](#) (GGMC) and other government websites, while an overview of the fiscal regime is available on the websites of the [Guyana Revenue Authority](#) (GRA). Data on production volumes and export volumes and values in the extractive industries is systematically disclosed on an annual basis through the Bank of Guyana's [annual reports](#). Since 2020 the Ministry of Natural Resources has begun to regularly disclose the volumes and value of each the state's crude oil cargo sales through the government's [website](#). Finally, the Guyana Gold Board systematically discloses audited financial statements on its [website](#) and the Auditor General publishes audits of public accounts on its [website](#), although other public-sector entities such as NICIL or GGMC do not appear to systematically disclose their financial reports.

However, much other extractive sector data is only publicly disclosed through annual EITI Reports, for instance related to licenses and beneficial ownership, which have added significant transparency to pre-existing government and company disclosures. Thus, Guyana does not maintain a publicly accessible cadastral portal for either mining or oil and gas, nor a company register disclosing legal or beneficial ownership. Information on company payments and government revenues from the extractive industries are not systematically disclosed in Guyana.

Systematic disclosures are a priority for the MSG, and Guyana EITI aims to undertake a study to assess the feasibility of improving systematic disclosures of EITI data in the 2021-2022. While the GY-EITI 2021 work plan includes activities related to assessing the feasibility of systematic disclosures, it does not include concrete plans for strengthening specific systematic disclosures although it does include activities related to assessing legal and regulatory obstacles to systematic disclosures. There appear to have been a series of meetings between the MSG chair, national coordinator and various government agencies to discuss EITI systematic disclosures in general, although there is no evidence yet of concrete plans for improving specific systematic disclosures. There was widespread frustration at the delays in procurement of the Independent Administrator and preparation of EITI Reports among stakeholders consulted, who called for greater systematic disclosures in order to institutionalise EITI disclosures and ensuring timelier data. However, most stakeholders consulted considered that Guyana had started implementing the EITI from a low starting point in terms of transparency and that it would take time and regulatory reforms to gradually improve Guyana's systematic disclosures of data required by the EITI Standard.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

1.3 Environment for citizen participation in extractive industry governance

This indicator considers the extent to which there is an enabling environment for citizen participation in extractive sector governance, including participation by affected communities.

The legal framework in Guyana seeks to ensure a level of local consent before the award of extractive licenses. The Constitution of Guyana ensures protection of the way of life of indigenous people, while the Amerindian Act requires small- and medium-scale miners to seek the village council's consent before being allowed to undertake mining work. The Mining Act recognises all land titles held by indigenous people as lawful. The Low Carbon Development Strategy (LCDS) launched in 2009 introduced the concept of free, prior and informed consent on the part of indigenous people before opting in to the LCDS.¹ However, stakeholder consultations and a review of national press coverage suggest that there are challenges in the implementation of these provisions and that there are concerns from both civil society and extractive companies over the adherence to statutory licensing practices and the requirement for public hearings to be held. There is no evidence in meeting minutes or other EITI documents of the MSG's consideration of government and company policies and practices with a view to strengthening citizen participation in the governance of the extractive industries.

Reports by international organisations² as well as stakeholder consultations indicate that there are no government-imposed restrictions on civic space related to the extractive industries in Guyana. Despite the political uncertainty following the 2020 Presidential elections that delayed the constitution of a new government, stakeholder consultations noted that the pace of Guyana EITI outreach and dissemination had reduced during this period but that civil society's ability to engage in EITI had not been affected. The delays in forming a new MSG in 2021 were not considered to have impacted civil society's engagement in EITI given its presence in the MSG's transition committee that continued to oversee EITI implementation in this period. Civil society engaged in EITI implementation has undertaken some outreach efforts and encouraged citizen participation in EITI implementation, although much of this activity has only taken place since 2020-2021. There appear to be technical capacity constraints hindering civil society's ability for more proactive outreach to key stakeholder groups and dissemination of EITI findings given the technical nature of the subject matter. However, several stakeholders consulted considered that the publication of a simplified version of the 2018 EITI Report was expected to facilitate dissemination efforts. Information published by Guyana EITI on license data, extractive contracts, social and environmental expenditures does not appear to have yet been used to empower citizens to monitor compliance by the government and companies with statutory procedures. It appears that the development of the first GY-EITI communications strategy and a subnational outreach campaign in 2021 were successful in identifying several new CSOs based outside of the capital with interests in participating in EITI. There is as of yet no indication that EITI implementation has had an impact on communities in regions with extractive activities nor in changes in civic space related to extractives governance more broadly.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

¹ <http://www.nsi-ins.ca/wp-content/uploads/2012/10/2010-Free-Prior-and-Informed-Consent-Practical-Guide-for-Guyana.pdf>

² See for instance <https://freedomhouse.org/country/guyana/freedom-world/2021>, <https://monitor.civicus.org/country/guyana/>, <https://www.hrw.org/americas/guyana>, <https://www.state.gov/reports/2020-country-reports-on-human-rights-practices/guyana/>

1.4 Accessibility and use of extractive industry data

This indicator considers the extent to which extractive sector data is accessible and used for analysis, research and advocacy. Guyana EITI has made some early efforts to ensure that data is accessible, although it has only belatedly considered ways of ensuring that EITI data responds to stakeholders' needs. Data in the annexes to Guyana's two EITI Reports ([2017](#) and [2018](#)) published to date is disclosed in open format on the GY-EITI website. While the data in the two EITI Reports themselves is not disclosed in open format (only in PDF and word formats), the MSG published a simplified version of the 2018 EITI Report for the first time in 2021. However, no other extractive sector data appears to be published in open format on either the GY-EITI website nor on other government or company portals.

There is only limited evidence that publicly available extractive sector data is used for analysis by government, industry and civil society. National press coverage of EITI has focused on the publication of the annual EITI Report and specific recommendations from EITI reporting, such as calls for the reform of the regulatory framework for oil and gas, rather than using EITI data in research and analysis. Coverage has also included discussion of gaps in data disclosure by government and industry, including gaps in the disclosure of tax payments. There is some evidence of international civil society use of findings from EITI implementation, such as in the development of an open-access [financial model](#) of the Starbroek oil project by OpenOil. However, Guyana EITI conducted capacity building events for journalists on the EITI in 2021, with a view to driving more use of EITI findings. There is little evidence of use of EITI data by government and parliament in deliberating over extractive industry reforms.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

1.5 EITI-related changes to extractive industry policy and practice

This indicator considers the extent to which EITI has informed changes in extractive sector policies and practices. The outcomes and impact file and stakeholder consultations suggest that EITI data has not yet been used by government or companies to inform changes in laws, regulations or administrative procedures and practices. However, several government officials consulted noted that EITI implementation had led to numerous meetings between Guyana EITI and select government entities to discuss follow-up on EITI recommendations and potential reforms, but that these had not yet led to tangible government reforms to date. While ongoing work related to the digitisation of GGMC records and the development of a modern mining cadastre system was highlighted by some stakeholders consulted, this reform was not attributed by stakeholders consulted to follow-up on EITI recommendations and the timelines for completion of this reform remain unclear based on consultations. In its comments on the draft Validation report, the MSG argued that these reforms were however linked to follow-up on EITI recommendations.

Nonetheless, the government's deliberations on the need for legal reform to enable the creation of a public beneficial ownership register were attributed to EITI implementation, even if stakeholders from all constituencies noted that such reform proposals were still at an early stage

of formulation. There is only limited evidence that EITI implementation has led to changes in government or company disclosure practices. While some new extractive data has started to be systematically disclosed on government portals, such as data on the state's crude oil sales since 2020, the EITI's broader impact on government and company disclosure practices appears to have been limited pending the MSG's formulation of a clear plan to transition to systematic disclosures of EITI data that is still at initial stages of implementation.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

2. Outcomes and impact

This component assesses EITI Requirements 7 and 1.5, which relate to progress in addressing national priorities and public debate.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement	Assessment
<p>Work plan (Requirement #1.5)</p>	<p>Guyana has maintained an updated EITI work plan over the August 2017–2021 period, reviewed annually by the MSG and published on the GY-EITI website. The 2021 GY-EITI work plan has one over-arching objective that is linked to national priorities of sustainable development, the three more specific objectives are only narrowly linked to EITI implementation with a single link to the EITI Principles. Stakeholder consultations highlighted concerns that the work plan objectives were not fully aligned with national priorities. The work plan reflects consultation with MSG members, although evidence of outreach to the three broader constituencies is limited. Stakeholder consultations confirmed that there had been no concerted outreach to the broader constituencies in developing the annual EITI work plans.</p> <p>Successive annual GY-EITI work plans have included time-bound and measurable objectives set out to achieve implementation objectives within a given timeframe. Several activities relate to capacity-building for the MSG, including both international exchanges and technical trainings as well as logistical capacities. While the work plan includes activities related to assessing the overall feasibility of systematic disclosures, it does not include concrete plans for strengthening specific systematic disclosures. Several activities related to assessing legal and regulatory obstacles are planned, related to systematic disclosures, beneficial ownership transparency and the treatment of confidential information. A distinct section of the work plan is</p>	<p>Mostly met</p>

	<p>devoted to follow-up on recommendations from the first GY-EITI Report, although most of these relate to general follow-up on EITI recommendations as a whole with the exception of follow-up on defining projects for the purposes of reporting financial information. All activities are costed with clear funding sources for each. Three work plan activities relate to expanding the scope of EITI reporting to artisanal and small-scale mining, forestry and voluntary social expenditures. In practice, the MSG has expanded the scope of EITI reporting to the fisheries and forestry sector, which are deemed to be of national importance.</p> <p>The Secretariat's assessment is that the overall objective of the work plan serving as a key accountability document for the MSG vis-à-vis broader constituencies and the public is not yet fulfilled, given the lack of outreach to broader constituencies in the work plan's development and the lack of clear alignment of work plan objectives with national priorities.</p>	
<p>Public debate (Requirement #7.1)</p>	<p>Guyana EITI has undertaken some communications efforts over the past four years, although dissemination efforts were effectively interrupted in 2020 due to the political transition and the impact of the pandemic. Guyana EITI has operated a website since 2017 that is in the process of being updated in 2021, as well as an active Facebook page (updated several times a month) and a WhatsApp group. The MSG has published four newsletters since launching this series in December 2020, although these include narrative updates on implementation rather than other means (e.g., data visualisations) to improve the accessibility of EITI findings. The two EITI Reports (2017-2018) to date have been published on the GY-EITI website and a simplified report was developed for the first time based on the 2018 EITI Report, with 500 copies to be printed with support from USAID. The National Secretariat has informally considered translations of some elements of the EITI Reports into seven of Guyana's nine indigenous languages, although the MSG has yet to consider these plans.</p> <p>While the MSG had attempted to develop a comprehensive communications strategy since 2019, the GY-EITI communications strategy covering 2021-2025 was agreed in September 2021, developed by a GYEST-funded consultant. The strategy plans to include consideration of the needs of specific target groups. Guyana EITI received support for improving its dissemination and outreach in 2021 from the Guyana Extractives Sector Transparency (GYEST) Project, funded by USAID and implemented by the Pan-American Development Foundation (PADF). Guyana EITI held frequent outreach events in the first two years of implementation (two events in 2018 and five in 2019), although these effectively ceased from 2020 onwards in light of the 2020 elections and the impact of the pandemic. A government official consulted explained that the government had asked GY-EITI to</p>	<p>Mostly met</p>

	<p>suspend dissemination activities during the election campaign and immediate aftermath of the elections, to avoid such events to be politicised. The MSG has attempted to migrate its dissemination and outreach online since 2020. The MSG held the Guyana Extractive Industry Transparency Week in June 2021, with support from USAID and attended by Minister of Natural Resources Vickram Bharrat, a hybrid in-person/online event to raise awareness and stimulate debate on EITI-related issues including mining, oil and gas as well as fisheries and forestry. With support from USAID, Guyana EITI held an online Youth Extractive Sector Transparency Contest in August 2021 that selected 14 winners out of 34 submissions of essays, songs, art work and poetry related to GY-EITI.</p> <p>There has been regular coverage of EITI activities in the national press over the 2018-2021 period, although these have tended to focus on the governance of GY-EITI and the process for preparing EITI Reports rather than the findings or recommendations of EITI implementation. Several stakeholders from different constituencies expressed scepticism over whether the objective of active communication of relevant data to key stakeholders in ways that are accessible and reflect stakeholders' needs had yet been fulfilled, given the only recent agreement on a communications strategy for GY-EITI, the lack of translation of EITI documents in local languages and the interruption in communications efforts in 2020. While the pace of communications had improved in 2021 with support from the GYEST project, several stakeholders considered that constituencies represented on the MSG could do more to proactively disseminate findings of EITI implementation. Thus, the Secretariat's assessment is that Requirement 7.1 is mostly met.</p>	
<p>Data accessibility and open data (Requirement #7.2)</p>	<p>Guyana EITI has not agreed an open data policy to date, although the MSG's Validation template refers to a Cabinet Decision committing to the development of such a policy as part of its EITI commitment, even if such Cabinet Decisions themselves are categorised as 'secret'. Guyana has prepared summary data files for the two EITI Reports (2017-2018) published to date, but only posted them on a Google drive that is not referenced on the GY-EITI website. While the Guyana EITI website publishes annexes to EITI Reports in open format, the data contained in the main bodies of EITI Reports have not been published in open format. Extractive data systematically disclosed on government websites is not in open format and tends to be published as part of press releases. While the MSG has undertaken consultations with government entities to seek to improve the public accessibility of extractive data in open format, this has not yielded tangible results to date. Stakeholders consulted did not express particular views on whether the objective of enabling the broader use and analysis of information on the extractive industries had been</p>	<p>Partly met</p>

	fulfilled. The Secretariat's assessment is that Requirement 7.2 is partly met.	
Recommendations from EITI implementation (Requirement #7.3)	<p>The MSG does not appear to have a systematic approach to following up on recommendations from EITI reporting, aside from occasional discussions of recommendations at MSG meetings. The MSG has however made some efforts to follow up on recommendations from EITI reporting but has yet to undertake concerted efforts to strengthen the impact of EITI implementation by acting upon lessons learnt in a systematic manner. The annual progress reports provide general overviews of progress on follow-up on recommendations from EITI reporting, although more detailed descriptions of follow-up on specific recommendations is only included in the EITI Report prepared by the Independent Administrator. Stakeholders consulted from various constituencies explained that the responsibility for following up on EITI recommendations was placed with the national secretariat and MSG chair, rather than on the MSG as a whole. None of the recommendations of the first GY-EITI Report have been implemented as of April 2021, with most follow-up marked as achieving either "some progress" or "little progress". The 2021 GY-EITI work plan includes activities to follow up on recommendations from EITI reporting, albeit in general with the exception of agreeing a definition of project for reporting. Several stakeholders consulted did not consider that the objective of EITI implementation being a continuous learning process contributing to policymaking was yet fulfilled, even if the ad hoc approach to follow-up on EITI recommendations was considered to have been important in launching reform processes within government. The Secretariat's assessment is therefore that Requirement 7.3 is partly met.</p>	Partly met
Review the outcomes and impact of EITI implementation (Requirement #7.4)	<p>Guyana has published annual progress reports annually covering the 2017-2020 period. The latest 2020 annual progress report provides an overview of many aspects of implementation in accordance with Requirement 7.4, albeit with important gaps. While a cursory overview of activities such as MSG and working group meetings and decisions, follow-up on recommendations as well as preparations of the annual EITI Report and extension requests is provided, there is little information on dissemination and outreach activities nor on the detail of activities with a view to assessing progress towards implementation objectives. The report does not provide an overview of progress in meeting EITI Requirements. The description of follow-up on EITI recommendations remains high-level and succinct, with little information on the detail of follow-up nor on proposals for overcoming barriers to successful implementation of reforms. While the report provides an overview of the status of each activity in the 2020 work plan, it does not contain an assessment of progress in meeting work plan objectives. There is no evidence in the annual progress report, nor in other GY-EITI documents, of the</p>	Partly met

	<p>MSG's efforts to strengthen the EITI's impact in Guyana. The MSG's Validation template focuses on outputs and outcomes from implementation, with the only EITI impact highlighted to date related to greater general public awareness. Guyana's EITI annual progress reports have yet to document any MSG efforts to take gender considerations and inclusiveness into account. There is no evidence in MSG meeting minutes of efforts to canvass views from the broader constituencies in developing the annual progress report, which appears to be simply drafted by the National Secretariat and approved by the MSG. Several stakeholders consulted considered that the overall objective of regular public monitoring and evaluation of implementation, with a view to ensuring the EITI's own public accountability, was far from being met. The Secretariat's assessment is that Requirement 7.4 is partly met.</p>	
New corrective actions and recommendations		
<ul style="list-style-type: none"> • In accordance with Requirement 1.5.a, Guyana is required to set EITI implementation objectives that are linked to the EITI Principles and reflect national priorities for the extractive industries. In accordance with Requirement 1.5.b, Guyana should ensure that the annual EITI work plan reflects the results of consultations with key stakeholders and the broader government, industry and civil society constituencies. To strengthen implementation, Guyana is encouraged to explore innovative approaches to extending EITI implementation to inform public debate about natural resource governance and encourage high standards of transparency and accountability in public life, government operations and in business. • In accordance with Requirement 7.1, Guyana should ensure that EITI information is widely accessible, distributed and comprehensible, including by ensuring that it is written in a clear, accessible style and in appropriate languages and consider access challenges and information needs of different genders and subgroups of citizens. Guyana should ensure that outreach events, whether organised by government, civil society or companies, are undertaken to spread awareness of and facilitate dialogue about governance of extractive resources, building on EITI disclosures across the country in a socially inclusive manner. The communications strategy should include activities to encourage the analysis and use of EITI data disclosures. • In accordance with Requirement 7.2, Guyana should agree a clear open data policy on the access, release, and re-use of EITI data. Guyana EITI should make EITI data available in an open data format online and publicise its availability. Government agencies and companies are expected to publish EITI data under an open license, and to make users aware that information can be reused without prior consent. To strengthen implementation, Guyana EITI is encouraged to make systematically disclosed data machine readable and inter-operable, and to code or tag EITI disclosures and other data files so that the information can be compared with other publicly available data. • In accordance with Requirement 7.3, Guyana is required to take steps to act upon lessons learnt and to consider the recommendations resulting from EITI implementation, with a view to strengthening its impact on natural resource governance. • In accordance with Requirement 7.4, Guyana is required to ensure that its annual review of the outcomes and impact of EITI implementation includes any actions undertaken to address issues that the multi-stakeholder group has identified as priorities for EITI implementation. The annual review of impact and outcomes must include a summary of EITI activities undertaken in the previous year and an account of the outcomes of these activities, an assessment of progress towards meeting each EITI Requirement, an overview of the multi-stakeholder group's responses to and progress made in addressing the recommendations from reconciliation and Validation, an assessment of progress towards achieving work plan objectives, as well as a narrative account of efforts to strengthen the impact of EITI implementation 		

on natural resource governance. All stakeholders should be able to participate in reviewing the impact of EITI implementation. To strengthen implementation, Guyana EITI is encouraged to document how it has taken gender considerations and inclusiveness into account.

3. Stakeholder engagement

This component assesses EITI Requirements 1.1 to 1.4, which relate to the participation of constituencies and multi-stakeholder oversight throughout the EITI process.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement	Assessment
<p>Government engagement (Requirement #1.1)</p>	<p>The government has issued regular public statements of support for the EITI, although there was a gap of nine months in 2020 due to the political transition. The government has constituted an MSG since the start of implementation in 2017, although the MSG’s membership renewal, originally planned for 2020, was significantly delayed. Due to the general elections, and subsequent emergencies of flooding and the Covid-19 pandemic, the MSG postponed its renewal by one year to the start of 2021. However, the further delays in the MSG’s renewal to September 2021 appear to have been linked to weaknesses in government engagement. The MSG formed an interim ‘transition team’ to oversee implementation pending the MSG’s renewal, which appears to have been largely driven by civil society and industry (mainly oil and gas), although one senior government official participated in the team. Yet both the former and the new MSGs appear to include the relevant government representatives, who do appear broadly engaged in implementation.</p> <p>The government has provided effective leadership of implementation when it has been engaged, since August 2020 by GY-EITI champion Minister of Natural Resources Vickram Bharrat. Documents and stakeholder views indicate that the government has consistently provided sufficient funding for EITI implementation since 2017, both through its own resources and through development partner support. However, it remains unclear whether the government has undertaken all possible measures to overcome legal, regulatory and practical barriers to EITI implementation. The system of taxpayer confidential waivers has not yet been successful in overcoming this legal barrier to disclosure, in part due to the waiver system being presented as ‘voluntary’ for companies to decide whether to participate or not. Many stakeholders consulted considered that the National Secretariat did not serve the interests of all three constituencies in an equal manner in practice, given what some stakeholders considered was a tendency by the Ministry of Natural Resources to treat the National Secretariat as a</p>	<p>Mostly met</p>

	<p>government department, rather than an independent body (see <i>Requirement 1.4</i>). In its comments on the draft Validation report, the MSG considered that the allegation of tensions between the MSG and Secretariat were unsubstantiated.</p> <p>Opinions of stakeholders consulted were mixed about whether the government had been sufficiently engaged in EITI throughout the 2017-2021 period. Some considered that delays in government engagement in 2020-2021 were reasonable given the competing priorities of the February 2020 general elections and their aftermath, unprecedented floods in May-June 2020 and the Covid-19 pandemic from April 2020 onwards. Others considered that, despite the engagement of individual government officials, there were weaknesses in the government's engagement reflected in the lack of legal backing for EITI to improve company participation in EITI reporting. Thus, the objective of full, active and effective government lead for EITI implementation, both at a high-level and operationally, has not consistently been fulfilled over the 2017-2021 period, reflected in the extensive delays in reconstituting the MSG and alleged weaknesses in the National Secretariat's support for the MSG. The Secretariat's assessment is that Requirement 1.1 is mostly met in Guyana.</p>	
<p>Industry engagement (Requirement #1.2)</p>	<p>The engagement of the industry constituency in Guyana's EITI implementation is uneven: while participation of some members of the constituency is exemplary, there is disengagement of members of the broader constituency, and significant differences between the fragmented mining industry (with a large number of license-holders) and the smaller group of companies in the oil and gas sector. Industry's representation on the MSG during the period under review was largely representative of the composition of the extractive industries in Guyana, including small, medium and large-scale mining, the forestry association, and ExxonMobil Guyana as well as the Guyana Women Miners Association (GWMA) among others.</p> <p>There have been differences in engagement between the mining and petroleum sectors, evident for instance in the provision of data for EITI reporting. In the newer oil and gas sector, the small group of companies maintains a close-knit yet informal collaboration on EITI that appears to effectively coordinate across companies. While the largest oil and gas companies fully report their payments to government in EITI, there have been some weaknesses in the participation in EITI reporting of some of their non-operating partners' who were making material payments to government. In the more established mining sector, with its hundreds of companies, engagement has proven more challenging. Attendance of mining industry representatives at MSG meetings has been inconsistent in the period under review, with the mining constituency withdrawing from the MSG due to concerns over reporting obligations for companies. The mining industry constituency rejoined the MSG when its representation was renewed (see <i>Requirement 1.4</i>).</p>	<p>Mostly met</p>

	<p>In September 2021, prior to the reconstitution of the MSG, the Guyana Gold & Diamond Miners Association (GGDMA) announced to national media its decision to withdraw from the MSG, citing allegations of the EITI's intrusion in the sector, a lack of relevance of the EITI to the problems faced by small- and medium-scale miners domestically in Guyana and industry's perceived lack of influence on the MSG. Shortly thereafter, the association reversed its decision. There have been greater weaknesses in company reporting in the mining sector than in oil and gas. Around two-thirds of material companies included in the scope of EITI reporting, primarily in mining, have consistently refused to participate in EITI reporting. The large gap in reporting speaks to the limited success of the industry constituency on the MSG to effectively engage the wider industry constituency in EITI implementation. There is no evidence of the industry constituency following up or engaging with companies refusing to participate in EITI reporting. In its comments on the draft assessment, the MSG highlighted that mining companies on the MSG withdrew after the publication of the first EITI Report, although they later re-joined the MSG.</p> <p>The environment for company participation in EITI reporting was largely enabling in the period under review, although legal taxpayer confidentiality provisions constrained the GRA's ability to disclose tax information from non-reporting companies. While the tax confidentiality waivers were designed to overcome this challenge, only a minority of companies have complied with an EITI reporting process presented to them as 'voluntary'. While legal provisions related to EITI reporting are not a requirement of the EITI Standard, the consistent refusal of many companies in the mining sector to participate in EITI reporting until it is made legally mandatory makes this issue particularly pressing for Guyana. Stakeholders consulted confirmed this split in engagement between mining and petroleum, but views were split on whether there had been sufficient outreach to companies in the mining sector.</p> <p>The Secretariat's view is that the consistently low level of mining companies' participation in EITI reporting reflects a disconnect between MSG members representing the mining industry and their broader constituency. The temporary withdrawal of an industry association reflects a misalignment between the mining industry's interests and EITI objectives that should be addressed through reforms in MSG governance (see <i>Requirement 1.4</i>) and the work plan objectives (see <i>Requirement 1.5</i>). Most stakeholders consulted considered that the objective of full, active, and effective engagement by the mining industry had not consistently been sustained throughout the 2017-2021 period. The Secretariat's assessment is that Requirement 1.2 is mostly met in Guyana.</p>	
<p>Civil society engagement (Requirement #1.3)</p>	<p>The civil society constituency appears to be fully, actively and effectively engaged in the EITI implementation process in Guyana in the period under review. The constituency's representation in the MSG was selected in an open process, publicly advertised in advance. There is no evidence of any government constraints on civil society's</p>	<p>Fully met</p>

	<p>participation in any aspect of EITI implementation or on civil society working in extractive issues, which was confirmed in stakeholder consultations. Several stakeholders considered that the delay in the government reconstituting the MSG in 2020-2021 had had an impact on civil society's engagement in EITI by delaying its procedure for appointing new MSG members. Evidence suggests that civil society has actively contributed to all aspects of EITI implementation including by driving the transition committee pending the reconstitution of the MSG in 2021. Civil society has also contributed to public debate drawing on EITI findings in the period under review, including through media outreach. While there is scope for further strengthening the constituency's coordination and outreach to new members, most stakeholders consulted considered that civil society had been fully, actively, and effectively engaged in EITI throughout Guyana's membership. The Secretariat's assessment is that Requirement 1.3 is fully met in Guyana.</p>	
<p>Multi-stakeholder group (Requirement #1.4)</p>	<p>Guyana has established a functioning MSG for much of the period since 2017, although delays in renewing the MSG's membership according to the MSG's ToR appear to have exceeded the triple political, health and natural disaster crises Guyana faced in 2020. The MSG was originally formed as Guyana was preparing its EITI candidature in 2017. However, the MSG agreed to postpone the renewal of its membership planned for early 2020 by one year, to ensure the MSG continued to oversee the preparation of the 2017 and 2018 EITI Reports during the general elections. Delays in government leadership in reconstituting the MSG in early 2021, when other constituencies were reportedly ready to appoint their representatives, led to a period of six months where there was no MSG, between April and September 2021. The MSG formed an interim 'transition team' to oversee implementation during this period, primarily driven by civil society and industry, even if one senior government official also participated.</p> <p>There has been equal numerical representation of all constituencies on both the old and new MSGs. According to the MSG's Terms of Reference, the civil society and industry constituencies nominate and appoint their own representatives in accordance with each constituency's nominations procedures. According to stakeholder views, nominations of industry and civil society representatives on the MSG were held in an open, fair and inclusive manner in practice, both for the original MSG and in its renewal in 2021. In accordance with Requirement 1.4a, such processes were advertised widely and through networks accessible to members of constituencies. The mining and petroleum sub-constituencies nominate their own MSG representatives in separate processes. There was a slight, overall gender imbalance across constituencies in the initial MSG and the GWMA alternate seat on the MSG was left vacant after attempts to replace the alternate member did not follow transparent procedures.</p>	<p>Partly met</p>

	<p>The MSG's ToRs provide a clear set of internal governance rules and procedures that are in line with Requirement 1.4.b. Review of the minutes of meeting of the MSG indicate that the MSG's ToR appear to have been followed in practice in the period under review, although it remains unclear whether the MSG's 'transition team' operated under the same rules in 2021. In its comments on the draft assessment, the MSG confirmed that the 'transition team' operated under the same rules as the MSG. The MSG decided against an honorarium for MSG members, leaving the remuneration of representatives to each constituency to determine amongst themselves. It appears that the Ministry of Natural Resources reimburses transport, accommodation and meal costs of civil society representatives participating in EITI activities upon presentation of receipts.</p> <p>The MSG's decision-making is by consensus, and the practice of decision making in the 2017-2021 period appears to have been in line with the MSG's ToR.</p> <p>The MSG's ToR sets out the rules for establishing working groups. The records of working group deliberations are not made publicly available. Summaries of MSG decisions are published on the GY-EITI website, although MSG meeting minutes are kept confidential. Stakeholder consultations indicated that this practice is indicative of a more generally opaque approach to MSG governance, characterised by allegations of mutual mistrust between constituencies and with the National Coordinator's office.</p> <p>Based on the seniority of MSG members and a review of MSG meeting minutes, it appears that all MSG members have sufficient capacity to carry out their duties, however, stakeholder consultations and MSG meeting minutes indicate that there have been tensions between the MSG and National Secretariat for several years, which has weakened the MSG's capacity to fulfil its responsibilities. Many MSG members consulted did not consider that the National Secretariat was serving all constituencies on the MSG in a balanced manner. In its comments on the draft assessment, the MSG considered that any tensions between the MSG and National Secretariat were due to differing understandings of the EITI Standard and different levels of capacity, rather than to ill will on the part of any stakeholders. Some stakeholders also considered that the industry and civil society MSG members would benefit from additional capacity building efforts focused on technical aspects of the EITI Standard.</p> <p>The gap in the MSG's oversight of implementation in 2021, combined with weaknesses in the MSG's capacity, imply that the objective of an independent MSG exercising active and meaningful oversight of all aspects of EITI implementation was not consistently met over the 2017-2021 period. Several stakeholders consulted considered that weaknesses in the MSG's oversight meant that the objective was still</p>	
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	far from being fulfilled. Thus, the Secretariat's assessment is that Requirement 1.4 is partly met in Guyana.	
New corrective actions and recommendations		
<ul style="list-style-type: none"> • In accordance with Requirement 1.1, Guyana should ensure that the government is fully, actively and effectively engaged in all aspects of EITI implementation, including through ensuring sufficient technical and financial resources for all aspects of EITI implementation. • In accordance with Requirement 1.2, Guyana should ensure that extractive companies are fully, actively and effectively engaged in all aspects of EITI implementation, including in the provision of EITI data as well as in its active participation in design of the EITI process, outreach and dissemination. • To strengthen implementation, the civil society constituency is encouraged to consider innovative ways of expanding the constituency engaged in EITI implementation by undertaking further outreach to additional civil society organisations. • In accordance with Requirement 1.4.b.ii, Guyana should ensure that the MSG undertakes effective outreach activities with civil society groups and companies, including through communication such as media, websites and letters, informing stakeholders of the government's commitment to implement the EITI, and the central role of companies and civil society. The MSG should also widely disseminate the public information that results from the EITI process and encourage its analysis and use. In accordance with the Requirement 1.4.b.vi, the MSG should oversee the EITI reporting process and engage in Validation. To strengthen implementation, the MSG may wish to consider developing a capacity needs assessment and capacity-building action plan to ensure that all MSG members have adequate capacity to oversee all aspects of EITI implementation. 		

4. Transparency

This component assesses EITI Requirements 2 to 6, which are the requirements of the EITI Standard related to disclosure.

Overview of the extractive sector (Requirements 3.1, 6.3)

Overview of progress in the module

Guyana has used its EITI reporting to provide a comprehensive public overview of significant exploration activities and the contribution of the extractive industries to the economy. When compared to the mining sector, information about the oil and gas exploration activities in the Guyana EITI Reports is less detailed. In its comments on the draft assessment, the MSG indicated that this was due to oil and gas production only beginning in December 2019. However, there is sufficient information about the main exploration activities in the public domain. Stakeholders consulted did not express any particular views about whether the objective of a public overview of the extractive sector and its potential had been fulfilled. However, the Secretariat's assessment is that Requirement 3.1 is fully met, although not yet exceeded given some outstanding gaps in systematic disclosures of information on significant exploration activities.

Guyana also publishes comprehensive information about the contribution of the extractive industries to the economy. For the mining sector, the 2018 EITI Report references systematically disclosed information on the economic contribution of the extractive industries. While information on the oil and gas sector's contribution to the economy was not yet systematically disclosed for 2018, given that oil production only began in December 2019, this information was disclosed through the 2018 EITI Report. Despite the lack of reference to third-party estimates of informal extractive activities in Guyana's EITI reporting to date, with artisanal and small-scale mining of particular public interest, the Secretariat did not identify any public sources of information on informal activities that could have been referenced in EITI reporting. The lack of publicly-available gender-disaggregated employment data in the extractive industries is a concern given civil society's interest in this information, although there is no evidence that such gender-disaggregated data is available for the sector as a whole. Most stakeholders consulted considered that EITI reporting had provided an adequate overview of the extractive industries' contribution to the national economy. Thus, the Secretariat's assessment is that Requirement 6.3 is fully met.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement	Assessment
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Exploration (Requirement #3.1)	<p>The Secretariat assessment is that Guyana has fully met Requirement 3.1. The 2018 EITI Report provides a comprehensive overview of significant exploration activities. For the mining sector, the report describes the geological distribution in the country, subdivisions, characteristics of mining districts, and their location. This information is systematically disclosed through the GGMC website. In the case of gold, bauxite and diamonds, information about the history, active mines and projects is also included. Information about additional minerals and gems such as copper, iron, quartz or jasper is briefly described and disclosed through the GGMC website. The 2018 EITI Report provides information about the main exploration projects in mining, as well as data about gold and bauxite reserves. This information is systematically disclosed on company websites. Information regarding history, exploitation mechanisms, and international conventions applicable to ASM is included. However, government action plans in this sector are briefly described and the EITI Report does not provide information about future developments or the potential of small-scale mining in the country. When compared to the mining sector, information about the oil and gas exploration activities in the Guyana's 2018 EITI Report is less detailed. However, the document provides sufficient information about the main exploration activities in the country by describing the geological characteristics in the country, the previous and current oil exploration projects, the main companies in the sector, as well as their assigned exploration blocks. This information can be accessed through the GGMC and local news website.</p>	Fully met
Contribution of the extractive sector to the economy (Requirement #6.3)	<p>The Secretariat assessment is that Guyana has fully met Requirement 6.3. The 2018 Guyana EITI Report discloses relevant information about the contribution of the extractive industries to the economy for the 2018 year. The EITI Report includes information about the Gross Value Added of the mining sector, government revenues, exports, and employment. This information is systematically disclosed through the Bank of Guyana Annual Reports. However, employment data is not disaggregated and there is no evidence of attempts made by the MSG to provide this information. Guyana's report provides information about key regions where production is concentrated. For the oil and gas sector, a map referring to licenses is included in Annex 2 of the EITI Report. For the mining sector, information about current and prospective licenses is systematically disclosed in the GGMC website. Overall, Guyana has made progress in the objective of Requirement 6.3 by expanding the scope of the report to the oil and gas, forestry and fisheries sectors when compared to the 2017 EITI Report. This information provides a better understanding about the level of natural resource dependency in the economy.</p>	Fully met
New corrective actions and recommendations		

- To strengthen implementation, Guyana may wish to ensure systematic disclosures of information about reserves and significant exploration activities in the mining, oil and gas sectors. Guyana is encouraged to systematically disclose any relevant national plans for artisanal and small-scale mining as well as for oil and gas, given the significant public interest in these extractive sectors.
- To strengthen implementation, Guyana is encouraged to ensure publication of employment information in the extractive industries disaggregated by gender. Where possible, Guyana may wish to include disaggregated information by company and occupational level. To strengthen implementation, Guyana is expected to document and provide estimates of the informal mining sector activity, including artisanal and small-scale mining. Guyana is encouraged to use its annual EITI reporting to document methodologically robust estimates of informal extractive activities and could consider a scoping study to determine the availability of information on informal extractive activities in Guyana.

Legal environment and fiscal regime (Requirements 2.1, 2.4, 6.4)

Overview of progress in the module

The legal framework governing the extractive industries in Guyana is disclosed both through EITI reporting and through systematic disclosures on government portals. The legal framework in the oil and gas sector was considered by stakeholders consulted to be outdated and too limited in scope for a growing industry. Stakeholder consultations indicated that legislative review, including planned reform of the 1989 Mining Act, had stalled, despite the reported existence of a draft Mining Bill.

A description of the fiscal regime relevant to the extractive industries is publicly disclosed, and the 2018 EITI Report provides clarifications of the lack of fiscal devolution. The Secretariat's assessment is that Requirement 2.1 is fully met.

Progress on contract disclosure in Guyana appears to have pre-dated EITI implementation, rather than resulted from it. Yet the government's policy on the public disclosure of operating contracts in the extractive industries still remains unclear from public sources, including from EITI reporting. The 2018 EITI report only confirms the lack of statutory barriers to contract disclosure and references the oil and gas contracts that have been published, albeit without describing the completeness of these disclosures. The report notes that mining contracts are available upon request under freedom of information legislation, however stakeholder consultations confirmed that this had not been tested in preparing Guyana's EITI reporting to date.

There is no evidence that the MSG has published a list of all active contracts and licenses, with an indication of which contracts and licenses are publicly available. There is no public explanation for the deviation between government policy concerning the disclosure of contracts and licenses and actual disclosure practices in Guyana. Stakeholder consultations confirmed that annexes of published oil and gas contracts had not yet been made public and that the issue was the subject of ongoing international arbitration in relation to one particular contract, given that terms related to cost recovery were covered in the annexes and deemed commercially sensitive by the operator. However, industry stakeholders consulted considered that all oil and gas contracts had been disclosed on the government website, even if annexes had not, and that none of the oil and gas contracts had been amended. Stakeholders explained that the MSG's attention had focused on oil and gas contracts rather than the 1200 or more licenses and

contracts in the mining sector. The IA confirmed in consultation that not all license and contract documents were publicly available in the mining, oil and gas sector.

While there is no public source of information on any mining, oil and gas licenses and contracts awarded since the start of 2021, stakeholder consultations confirmed that there had in fact been no new awards in the oil and gas sector, but that mining licenses had been awarded. The number of amendments of licenses and contracts in 2021 remained unclear. There is no evidence that Guyana EITI has documented any legal or practical barriers in its work on contract disclosure, nor published a plan with a clear time frame reflected in work plans addressing any barriers to comprehensive disclosure of extractive licenses and contracts. The GY-EITI's [2021 work plan](#) includes activities to formalise the government's policy and to review practices of public disclosure of extractive contracts, with a view to an action plan being developed by a working group and submitted to the MSG chair for endorsement. However, these activities do not appear to have been implemented as of the commencement of Validation. Stakeholder consultations revealed significant confusion over whether all mining, oil and gas contracts had been published although there was broad consensus that only some, not all, contracts had been published to date. Several stakeholders consulted considered that the objective of ensuring the public's understanding of the contractual rights and obligations of companies operating in the country's extractive industries had not yet been fulfilled in the absence of disclosure of all contracts and licenses. The Secretariat's assessment is that Requirement 2.4 is partly met.

Information about the impact of the extractive industries on the natural environment in Guyana was not consistently and comprehensively disclosed in the period under review. The Secretariat's assessment is thus that Requirement 6.4, an encouraged aspect of the 2019 EITI Standard, remains not assessed as it has not yet been exceeded. Stakeholder consultations indicated that enforcement of environmental protection regulation had grown less consistent since the start of the Covid-19 pandemic, with the pandemic-related suspension of mine site inspections. Stakeholders consulted broadly did not consider that the objective of Requirement 6.4 had yet been fulfilled through EITI reporting.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement	Assessment
Legal framework and fiscal regime (Requirement #2.1)	EITI reporting provides an overview and summary description of the laws and regulations governing the extractive industries in Guyana. While EITI reporting provides some contextual analysis of the legal framework, relevant laws and regulations appear to be systematically disclosed, although information on the enforcement of laws does not yet seem systematically disclosed. The disclosures included in GY-EITI Reports include reference to ongoing and planned legal reforms. Stakeholder consultations however indicated that additional reforms of the 1989 Guyana Mining Act have been planned and a bill drafted, although this was not covered in EITI Reporting. In its comments on the draft assessment, the MSG noted the availability of amendments	Fully met

	<p>to mining regulations on the websites of GGMC and the Parliament. However, stakeholders consulted confirmed that a draft of the Mining Bill had not yet been made publicly accessible, but that future EITI reporting would cover such reforms. Stakeholders indicated that work on implementing reforms to the mining sector legal and regulatory framework has slowed. Some stakeholders considered the Petroleum (Exploration and Production) Act 1986 outdated and inadequate in regulating a sector which had grown both more complex and economically important in Guyana since the Act was originally passed. Even so, the extractives legal framework in force was systematically disclosed in the period under review. Stakeholder consultations indicated ongoing reforms within the Ministry of Natural Resources regarding monitoring of the environmental impact of oil and gas production, including levying larger fines on operators for gas flaring, although this was not covered in EITI Reports to date. EITI Reporting highlighted reforms relating to the NRF, which at the time of reporting were ongoing reforms. There is no evidence that legal reforms in the extractive industries are systematically disclosed on government websites. In its comments on the draft assessment, the MSG noted that some information on reforms was published on the Ministry of Natural Resources, GGMC and GGB websites, albeit without providing specific links to this information.</p>	
<p>Contracts (Requirement #2.4)</p>	<p>The Secretariat's assessment is that Guyana has partly met Requirement 2.4. The government's policy on public disclosure of licenses and contracts in the mining and petroleum sectors remains unclear from public documents, beyond the 2018 EITI Report's reference to a lack of legal barriers to the disclosure of such documents. The report explains that only some of the petroleum contracts have been disclosed and that none of the licenses nor mining contracts have been publicly disclosed to date, but without any explanation of the potential deviation from government policy. It remains unclear from public sources whether any mining or petroleum contracts and licenses were granted, entered into or amended since 1 January 2021, but no such license or contract appears to be publicly available, if applicable. There is no discussion in GY-EITI documents about potential legal or practical barriers to the full disclosure of all licenses and contracts awarded or amended from January 2021 onwards. In its comments on the draft assessment, the MSG clarified that it had requested a full list of all mining contracts from the Ministry of Natural Resources, but that it had not received the list to date. The MSG has only documented the disclosure of some petroleum contracts pre-dating January 2021 in general terms but has not published a comprehensive list of all active mining and petroleum licenses and contracts, clearly indicating which have been published and which have not (with specific links where applicable). While three oil and gas contracts (pre-dating 2021) have been published on the Department for Public Information and GY-EITI websites, this includes only the main body of the contract but none of the annexes, nor amendments or riders if applicable.</p>	<p>Partly met</p>

Environmental impact (Requirement #6.4)	<p>Codes of Practice are systematically disclosed and set out the legal mandate for enforcement, authority delegated by statute and monitoring systems for environmental legal compliance and enforcement. The Environmental Protection Act (No. 11 of 1996) Art. 36, requires the establishment and maintenance of a public register of information relating to environmental assessments and approvals and requires information to be accessible to the public 60 days from the granting of an environmental permit. This register has not been fully digitised and only a small section of the EIAs submitted and environmental permits granted by the EPA can be accessed on the EPA website.</p> <p>The EPA's website discloses a partial database of environmental impact assessments (EIAs), environmental and social impact assessments (ESIAs) environmental baseline studies and environmental permits. These assessments are uploaded as both drafts, revised and final versions. The database includes a function to disclose document controls and update when users download environmental information, however this content is mostly incomplete, with data indicating date of application, upload, administration and edit missing. No environmental management plans are disclosed on the EPA website. This significant gap in disclosures undermines monitoring of the specific actions required of extractive industry operators to mitigate the environmental and social risks and impacts analysed in project-level EIAs and other legally required environmental reporting, as the regulator's requirements for environmental management of a project are usually set out in the EMP. EITI Reporting lists the laws relevant to environmental management of the extractive industries in Guyana but provides no further information on the environmental monitoring procedures and administrative practices undertaken in the reporting period. Documentation submitted by the MSG for this Validation highlighted significant gaps in the administrative practice of the EPA and its environmental approvals board.</p>	Not assessed
New corrective actions and recommendations		
<ul style="list-style-type: none"> • To strengthen implementation, Guyana is encouraged to systematically disclose information on ongoing legal reform in the extractive industries, such as draft legislative reforms, with a view to using EITI reporting as an annual diagnostic of implementation of key reforms. • In accordance with Requirement 2.4.c.ii, Guyana should clarify which license annexes and attachments exist for licenses and contracts, publish a list of all active contracts and licenses, and indicate which are publicly available and which are not. In accordance with Requirement 2.4.c.iii, Guyana should publish an explanation for any deviations between disclosure practices and legislative or government policy requirements concerning the disclosure of contracts and licenses. In accordance with Requirement 2.4, by 1 January 2022, Guyana should ensure that any contracts and licenses in the extractive industries that are granted, entered into, or amended from 1 January 2021 are publicly and comprehensively disclosed. A list of all active contracts (including for exploration activities) should be disclosed including their amendments and information on how contracts are amended in the jurisdiction. EITI reporting should reflect activities undertaken to address barriers in their work plan, as to date lacking disclosures of mining contracts represents a significant gap in implementation. In accordance with Phase II of Requirement 		

2.4.b, Guyana is expected to have addressed any barriers to comprehensive disclosure of all license and contract documents.

- To strengthen implementation, Guyana is encouraged to ensure that all legally required environmental impact assessments and environmental management plans for extractive industry projects are publicly accessible. Guyana may also wish to consider disclosing information on any environmental liabilities, environmental rehabilitation and remediation programmes relevant in the jurisdiction in the period under review. Finally, Guyana is encouraged to systematically disclose information on regular, governmental environmental monitoring procedures as well as administrative and sanctioning processes.

Licenses and property rights (Requirements 2.2, 2.3)

Overview of progress in the module

There are thousands of active mining licenses in Guyana, but only a dozen licenses in the more recent oil and gas industry. There is no publicly accessible cadastral portal for mining or oil and gas licenses in Guyana, as existing license registers appear to be maintained for internal ministry purposes only at present. Guyana's EITI reporting has added value by providing the only public source of basic information on the licensing regime and license grants although the use of this information to date has been limited.

There is significant public interest in awards of extractive licenses, particularly in the oil and gas sector given discoveries on the Stabroek block in 2016. Yet Guyana's EITI reporting has included limited disclosure on oil and gas licensing, including for instance clarifying the statutory technical and financial criteria assessed in oil and gas block awards and transfers. There has been a de facto cessation of awards of new licenses in the oil and gas sector since 2017, which was effective during the period under review (2018). Yet Guyana has not used its EITI reporting to disclose transfers of participating interests in oil and gas blocks, of which at least one took place in 2018.³ In the mining sector, there continued to be significant licensing activity, with 252 mining license awards and 75 license transfers in 2018 alone. Guyana's EITI reporting has not undertaken more thorough legal analysis to highlight inconsistencies across different legislation governing mining license awards.⁴ There is no evidence that the MSG has sought to use EITI reporting as a diagnostic of actual licensing practices to date, with no assessment of non-trivial deviations from statutory procedures in licensing practices in either of the two EITI Reports published. There appears to be significant public interest in licensing practices in the mining sector, on the part of both civil society and industry given alleged irregularities in license awards.⁵ Several stakeholders consulted considered that the process for extractive license awards remained opaque and expressed concern that large oil and gas blocks had been awarded

³ For instance, the transfer of Eco (Atlantic) Oil & Gas' 25% interest in Orinduik Block to Total E&P in October 2018 (see for instance <https://www.worldoil.com/news/2018/10/31/eco-atlantic-gets-approval-for-transfer-of-25-interest-in-guyanas-orinduik-block>)

⁴ For instance, while the Mining Act allows the Minister of Natural Resources to award mining licenses, the Environment Act does not allow the Minister to do so. More thorough legal analysis would help ensure that the EITI adds value to informing the design and execution of legal, regulatory and administrative reforms.

⁵ <https://www.kaieteurnews.com/2018/01/03/miners-complain-of-land-hoarding-as-ggmc-director-grabs-12000-acres/>

through public procurement processes that did not allow for, in their view, adequate public oversight of the process. There was also concern expressed over the award of overlapping licenses for different land uses, with allegations that the cadastral management system was not publicly accessible to allow for some discretion in the awarding of mining licenses. The Secretariat's assessment is that Guyana has partly met Requirement 2.2.

In the absence of a publicly available license registry or cadastral system, Guyana's EITI reporting provides the only source of public information on extractive licenses to date. While government officials consulted explained that a mining cadastral system was under development by the Ministry of Natural Resources, there was no clear timeframe for such a portal to be developed and launched online. The annexes to Guyana's annual EITI Reports provide information on licenses, albeit with gaps vis-à-vis the data listed in Requirement 2.3.b. The list of ten oil and gas licenses provides all required information aside from the dates of application and coordinates for each license. Public disclosures of data on the different types of mineral rights are more fragmented, with different annexes to the annual EITI report providing different information on the various types of licenses, with the exception of mineral survey licenses. Most information listed under Requirement 2.3.b for the different types of mining licenses, although dates of application and coordinates are not available for any of the licenses. These disclosure gaps are apparent for licenses held by the 59 material companies included in the scope of reconciliation in the 2018 EITI Report. Several stakeholders consulted highlighted the contribution of EITI reporting to improving transparency in basic license information. Stakeholders consulted considered that Guyana was close to meeting the objective of comprehensive public information on property rights related to extractive deposits and projects was in the process of being fulfilled through EITI reporting. The Secretariat's assessment is that Guyana has mostly met Requirement 2.3.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement	Assessment
Contract and license allocations (Requirement #2.2)	The Secretariat's assessment is that Guyana has partly met Requirement 2.2. In <u>mining</u> , the 2018 EITI Report confirms the number of licenses awarded and transferred in 2018, although there is only publicly accessible information on the list of licenses awarded in this period, not on the licenses transferred. While the report provides a description of the statutory license award and transfer procedures, albeit with little detail on the transfer procedure, it refers to, but does not describe, the specific technical and financial criteria assessed in either license awards or transfers. Stakeholder consultations confirmed that there were clear technical and financial criteria set for mining license awards and transfers, but that there were no weightings applied to each, even if the list of criteria assessed was not yet publicly accessible. While the Validation template states that there were no non-trivial deviations in either license awards or transfers in 2018, there is no reference to this in the 2018 EITI Report and the methodology for the MSG's assessment	Partly met

	<p>of non-trivial deviations remains unclear based on publicly accessible documents.</p> <p>In <u>oil and gas</u>, the 2018 EITI Report confirms the lack of new license awards in 2018 but does not clarify whether any transfers of oil and gas licenses, or participating interests in blocks, took place in this period. While the MSG's submission for Validation stated that there had been no transfers of participating interests in oil and gas blocks in 2018, public sources indicate that there was at least one transfer of participating interests in the Orinduik block in October 2018. While the report provides a description of the statutory license award and transfer procedures, albeit with little detail on the transfer procedure, it remains unclear from publicly accessible documents whether any technical and financial criteria are assessed in either oil and gas license awards or transfers. Government officials explained that rigorous checks of license applicants were performed (even if the criteria against which these checks were performed were not made public) but that these could be waived in the instance of well-known international oil companies (IOCs), as are the majority of the oil companies currently operating in Guyana. As for mining, the Validation template provides the MSG's assessment that there were no non-trivial deviations in either awards or transfers (despite the absence of awards in 2018), although the lack of reference to the MSG's methodology in assessing such deviations in either the 2018 EITI Report or other public documents is a concern.</p>	
Register of licenses (Requirement #2.3)	<p>The Secretariat's assessment is that Guyana has mostly met Requirement 2.3. There is no publicly available register or cadastre system in either mining or oil and gas in Guyana, as existing license registers appear to be maintained only for internal ministry purposes at present. All disclosures on license information are through the EITI Report, which appear to cover all active licenses irrespective of the materiality of payments to government related to each license. In <u>mining</u>, while the annexes to the 2018 EITI Report provide information on license numbers, license-holding company names, dates of award and expiry for most of the licenses as well as commodity(ies) covered, it does not provide dates of application or coordinates for any of the licenses, nor dates of expiry for some licenses. In addition, survey licenses do not appear to be covered by the annexes.</p> <p>In <u>oil and gas</u>, the 2018 EITI Report provides a list of 10 petroleum licenses, including license numbers, license-holding company names, dates of award, of expiry but not of application. However, while a map of oil and gas blocks is provided in Annex 2 it is of too low definition to estimate the coordinates of each license and it remains unclear whether petroleum licenses cover both crude oil and natural gas.</p>	Mostly met
New corrective actions and recommendations		
<ul style="list-style-type: none"> In accordance with Requirement 2.2, Guyana should ensure that information on mining, oil and gas license awards and transfers is publicly disclosed, including the identity of licenses transferred and companies involved, the process for transferring licenses, and the technical and financial criteria assessed. In accordance 		

with Requirement 2.2.a.iv, Guyana is required to ensure public disclosure of its assessment of any material deviations from the applicable legal and regulatory framework governing license transfers and awards in license awards and transfers in the period under review by EITI reporting.

- In accordance with Requirement 2.3, Guyana should establish a publicly available register or cadastre that provides information on all active licenses including names of licence holders, coordinates, dates of application, award and expiry, and commodities covered. In the interim, Guyana should ensure that this information, including dates of application and of expiry, are publicly disclosed for each active license held by companies included in the scope of reporting.

Beneficial ownership (Requirement 2.5)

Overview of progress in the module

Adherence to Requirement 2.5 on beneficial ownership is assessed in Validation as of 1 January 2020 as per the framework agreed by the Board in June 2019.⁶ The assessment consists of a technical assessment focusing on initial criteria and an assessment of effectiveness.

Technical assessment

The technical assessment is included in the Transparency template, in the tab on #2.5. It demonstrates that Guyanese laws provide a legal definition of beneficial ownership and politically exposed persons, and that the laws are aligned with international norms. However, there is no legal or regulatory framework for the public disclosure of beneficial ownership data for any companies operating in Guyana, including in the extractive industries. While the MSG clarified in its comments on the draft assessment that the Companies Act requires companies to report beneficial ownership information, a regulatory framework for the systematic disclosure of this information remains lacking. The timeframe for any such regulatory framework being established remains unclear. While there are press reports of government officials expressing support for the disclosure of beneficial ownership of extractive companies through the EITI⁷, there appears to be no public document to date that codifies the government's policy in favour of beneficial ownership disclosure in the extractive industries.

There is no publicly accessible company register of legal owners in Guyana, nor of beneficial owners. The MSG's comments on the draft assessment noted that the Deeds and Commercial Registry Authority maintains records of legal ownership of companies operating in Guyana, which they argued are available to the public upon request. However, there is no evidence of the MSG's efforts to request legal ownership information on extractive companies in order to improve the public accessibility of this data. The 2018 EITI Report provides beneficial ownership reporting by only seven of the 59 material companies included in the scope of reconciliation (only 18 reported). Legal ownership information was disclosed for 14 companies in the 2018 report. Stakeholder consultations across constituencies explained that the challenges in the oil and gas

⁶ <https://eiti.org/document/assessing-implementation-of-eitis-beneficial-ownership-requirement>.

⁷ See for instance <https://oilnow.gy/featured/beneficial-ownership-of-guyana-oil-blocks-will-have-to-be-disclosed-to-eiti/> and <https://www.kaieteurnews.com/2021/07/09/govt-finally-moving-ahead-with-beneficial-ownership-registry/>

sector were on process rather than substance, while the mining sector's non-reporting reflected a more generalised objection to the disclosure of personal information for personal safety reasons.

Beneficial ownership data has not been requested from companies outside the scope of EITI reporting to date, given the lack of related government regulation. There is no evidence that beneficial-ownership data has been requested from companies applying for licenses in the mining sector, although there have been no new oil and gas license awards since 2017. The MSG's comments on the draft assessment considered that beneficial ownership information might be requested from companies applying for extractive licenses, but did not confirm this categorically. A significant obstacle to establishing a public registry for beneficial ownership is that material companies in Guyana view compliance with data requests for the EITI reporting process as optional, including for beneficial ownership, according to a wide range of stakeholders consulted. An objection frequently cited by industry representatives consulted was a concern about physical security if the addresses of legal or beneficial owners were to be disclosed. Whilst there were mixed opinions amongst stakeholders consulted on the legitimacy of this concern, one suggestion was that dropping the requirement to disclose an address could address this objective. Stakeholders have also stated that the government plans to address these obstacles by making disclosure a legal requirement but offered no details of timeframe or scope of implementation. The MSG's comments on the draft assessment argued that this was being undertaken by the Deeds and Commercial Registry Authority, but did not offer further details on progress or timeline for completion.

Assessment of effectiveness

Collection of beneficial ownership information has been limited to efforts categorised by Guyana EITI as 'voluntary' through annual EITI reporting. The results of this type of beneficial ownership data collection have tended to disappoint in the first two EITI Reports to date, in line with broader company participation in EITI reporting. In its comments on the draft assessment, the MSG argued that beneficial ownership disclosure was not a requirement for EITI reporting covering the years 2017 and 2018. There is no evidence that the MSG has assessed the comprehensiveness and reliability of beneficial ownership disclosure by all extractive companies in Guyana to date. The Financial Action Task Force's (FATF) Mutual Evaluation reviews of Guyana raise concern over the lack of legal requirement for the maintenance of a register of legal and beneficial owners as a major weakness in the AML/CFT (Anti-Money Laundering/Combating the Financing of Terrorism) regime.⁸

Nonetheless, the MSG appears to have undertaken a cursory review of the legal framework for beneficial ownership reporting, given its observation in the Transparency template that the laws providing definitions of beneficial ownership and politically exposed persons are not consistently enforced. While stakeholder consultations indicated that the MSG belatedly agreed a beneficial ownership disclosure roadmap in September 2021, it does not yet appear to be publicly available on the Guyana EITI website. In its comments on the draft assessment, the MSG confirmed that the beneficial ownership roadmap had now been published on the GYEITI website. Nonetheless, the Ministry of Natural Resources launched a tender for a consultant to undertake a feasibility study for a public beneficial ownership register in July 2021.⁹ Given the lack of a legal and

⁸ See <https://www.fatf-gafi.org/countries/d-i/guyana/documents/mutualevaluationofguyana.html>

⁹ <https://www.kaieteurnewsonline.com/2021/07/09/govt-finally-moving-ahead-with-beneficial-ownership-registry/>

regulatory framework for beneficial ownership transparency and the limitations of data collection to the small number of reporting companies in Guyana's two EITI Reports to date, the broader objective of phase 1 of the Validation framework for Requirement 2.5 is still far from being fulfilled. The Secretariat's assessment is that Phase 1 of the Validation framework for Requirement 2.5 is partly met.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement	Assessment
Beneficial ownership (Requirement #2.5)	The Secretariat's assessment is that Phase 1 in the Validation of Requirement 2.5 is only partly met in Guyana. The government's policy on the public disclosure of beneficial ownership of extractive companies is unclear from publicly available sources, even if the 2018 EITI Report provides a cursory overview of relevant laws and regulations, including the definition of beneficial ownership and politically exposed persons. Guyana appears to only have undertaken beneficial ownership data collection through EITI reporting to date, targeting only material companies included in the scope of reconciliation rather than all companies holding or applying for extractive licenses. The beneficial ownership of only seven of the 59 material companies covered by the 2018 EITI Report has been published to date. While the information requested and disclosed related to such companies includes the minimum data points listed under Requirement 2.5.d and the 2018 EITI Report provides a cursory description of quality assurances requested from reporting companies, there is only a public brief assessment by the MSG of the comprehensiveness of beneficial ownership disclosures by material companies in the 2018 EITI Report, not of the comprehensiveness and reliability of beneficial ownership disclosures from all extractive companies. The 2018 EITI Report provides a list of publicly listed companies within the scope of reconciliation, including the names of stock exchanges where they are listed and links to their stock exchange filings, but it is unclear whether the MSG has confirmed whether each of these companies is a wholly owned subsidiary of the publicly listed entity. While the 2018 EITI Report provides the legal ownership of a minority of material companies included in the scope of reporting, legal ownership information of all extractive companies does not yet appear to be publicly available, and the Deeds and Commercial Registry Authority (DCRA) does not appear to operate a publicly accessible online company register from which legal ownership information is available.	Partly met
New corrective actions and recommendations		
<ul style="list-style-type: none"> In accordance with Requirement 2.5, Guyana is required to ensure that the beneficial ownership of all companies holding or applying for a mining, oil and gas license is comprehensively and reliably disclosed as of January 2022. In the meantime, in accordance with Requirement 2.5.b, the government's policy 		

and multi-stakeholder group's discussion on disclosure of beneficial ownership must be publicly documented.

- In accordance with Requirement 2.5.c, Guyana is required to ensure that Guyana EITI publishes an assessment of the comprehensiveness and reliability of beneficial ownership disclosures of all companies holding or applying for a mining or oil and gas license. Publicly listed companies, including wholly owned subsidiaries of companies listed on stock exchanges, are required to disclose the name of the stock exchange, and include a link to the stock exchange filings where they are listed, in accordance with Requirement 2.5.f.iii. Guyana is also required to ensure that legal ownership of extractive companies is publicly disclosed either through Guyana EITI reporting or through systematic disclosures, in accordance with Requirement 2.5.g.
- In accordance with Requirement 2.5.c, Guyana should seek to clarify any constitutional or significant practical barriers to the implementation of beneficial ownership disclosure, with a view to strengthen the country's legal framework towards public disclosure of beneficial ownership.

State participation (Requirements 2.6, 4.2, 4.5, 6.2)

Overview of progress in the module

There does not appear to be any state participation in the oil and gas sector in Guyana, only in the historically dominant mining sector. Nonetheless, the structure of production-sharing contracts (PSCs) in the oil and gas sector gives rise to in-kind revenues to the government, albeit only since the start of commercial oil production in December 2019 (after the period under review in the 2018 EITI Report), despite the lack of a national oil company with the capacity to lift and market physical oil and gas commodities. There appears to be significant public interest in the financial management of mining SOEs as well as the terms of sales of crude oil on behalf of the state.

There are two entities that the MSG has categorised as SOEs for EITI reporting purposes, both in the 2018 EITI Report and in the data collection templates submitted for this Validation. These are the Guyana Gold Board (GGB) and the National Industrial and Commercial Investments Limited (NICIL). The first, GGB, is responsible for managing gold trading in Guyana, and appears to be incorporated as a separate legal entity based on information in its [annual reports and audited financial statements](#). The 2018 EITI Report demonstrates the materiality of transactions involving GGB, which accounted for 15% of the government's total extractive revenues in 2018. The second entity, NICIL, is the government's asset management company that holds state equity in companies in all sectors, including minority participations in at least two mining companies. While it remains unclear from public documents whether NICIL's primary activities are in the extractive industries, the 2018 EITI Report includes NICIL as a material SOE for EITI reporting purposes. The materiality of transactions involving NICIL in 2018 remains unclear given NICIL's lack of submission of reporting templates and the lack of publication of its audited financial statements. Nonetheless, the MSG has clearly included both GGB and NICIL in the scope of reporting as material SOEs, so this Validation assesses progress in SOE-related disclosures with regards to both entities. In its comments on the draft assessment, the MSG called for greater attention on whether GGB should be considered a SOE for EITI reporting purposes in future.

Guyana's EITI reporting has only provided a cursory overview of some, but not all, of the statutory financial relations between the two SOEs and the government. The 2018 EITI Report describes only the state's statutory entitlement to dividends from its shareholding in NICIL and the requirement for GGB to transfer all of its royalties and withholding tax revenues from the extractive industries to GGMC. However, EITI reporting does not describe key aspects of the SOEs' financial relations with the state. The 2018 EITI Report provides a list of two mining companies in which NICIL holds minority interests on the government's behalf, although the comprehensiveness of these disclosures remains unclear. The terms attached to state equity in these two mining companies, and in the two SOEs GGB and NICIL, are not described in the 2018 EITI Report. The report does not refer to any changes in state participation in the year under review, nor the terms of any transactions where applicable. None of the disclosures encouraged under Requirement 2.6.c have been addressed in Guyana EITI reporting to date. Therefore, it can be concluded that significant aspects of the requirement have not been implemented, and the broader objective of ensuring 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 is not fulfilled. The Secretariat's assessment is that Guyana has partly met Requirement 2.6.

Guyana's EITI reporting has demonstrated that there were no in-kind revenues accruing to government in 2018. There is no evidence of in-kind revenues in the mining sector to this day. The Secretariat's assessment is thus that Requirement 4.2 was not applicable in Guyana in the period under review in this Validation, based on the latest EITI Report published to date, covering 2018. However, the government started collecting in-kind revenues from the oil and gas sector in December 2019, when the country's first commercial oil production began. While the state has no capacity to lift and market oil and gas, it has contracted a marketing agent (initially Shell for 2020, thereafter by cargo since 2021) to sell in-kind oil revenues on its behalf since the first export cargo in February 2020. This implies that Requirement 4.2 applies to Guyana for the purposes of EITI reporting from 2020 onwards. Guyana EITI has undertaken some work on this issue in recent years, leading to the Department of Energy regularly disclosing the volumes and value of each crude oil cargo sold on its behalf through the government's [website](#). However, the volumes of oil collected in accordance with the profit-sharing split, the identity of the buyer for each oil cargo, and the value of revenues transferred to the state from the proceeds of oil sold have not yet been publicly disclosed to date in accordance with Requirement 4.2.a. The MSG's comments on the draft assessment confirmed that the government routinely published information on crude oil sales volumes and the value of each sale, but did not comment on disclosures of volumes collected or the value of sales proceeds transferred to the Treasury. While there has been significant public and media interest in the terms of crude oil sales on the government's behalf, including calls for the public disclosure of crude oil sales contracts, Guyana does not appear to have yet made progress on the encouraged aspects of Requirements 4.2.b-c, such as publishing descriptions 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. Several stakeholders consulted highlighted the significant public interest in the terms of the state's crude oil sales since 2020 and noted that the government was required by law to publish detailed reports on production and sales of oil as part of its efforts to establish a sovereign wealth fund.

With regards to financial transactions related to the two material SOEs, GGB and NICIL, Guyana has only made limited progress to date towards the objective of ensuring 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. Guyana's EITI reporting has included SOE-related transactions in the scope of reconciliation, but there is only evidence of reconciliation of a share (around 85%) of company payments to GGB and the transfers of one of the two revenue streams remitted by GGB to GGMC (royalties, not withholding tax). The lack of EITI reporting by NICIL means that transactions related to this SOE remain opaque. Therefore, the Secretariat's assessment is that Guyana has partly met Requirement 4.5.

Finally, while Guyana EITI has included disclosures of quasi-fiscal expenditures in the scope of reporting for NICIL, but not GGB despite it being considered a SOE for EITI reporting purposes, there is no evidence of any further work by the MSG on this issue, either in the form of disclosures through the EITI Report or capacity building by the MSG for the SOEs ahead of EITI data collection. Nonetheless, the MSG has started to design a reporting process to ensure transparency in quasi-fiscal expenditures, even if these efforts are at an early stage. Given the lack of clarity around the existence and materiality of quasi-fiscal expenditures in the period under review, the Secretariat's assessment is that Requirement 6.2 is mostly met in the period under review.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement	Assessment
State participation (Requirement #2.6)	The Secretariat's assessment is that Guyana has partly met Requirement 2.6. The 2018 EITI Report and the Validation template on Transparency categorise NICIL and GGB as material SOEs for EITI reporting purposes, although the basis for this assessment remains unclear based on Guyana EITI Reports and MSG meeting minutes. Several stakeholders consulted confirmed that the two entities had been included as material SOEs given that they were incorporated as companies and were considered to collect material revenues. In its comments on the draft assessment, the MSG called for greater attention on whether GGB should be considered a SOE for EITI reporting purposes in future. The report provides a cursory description of NICIL and GGB's statutory requirements to transfer a share of revenues to government, but do not clarify the statutory rules related to the transfer of funds from the state to the SOEs, the SOEs' ability to retain earnings, reinvest in their operations or raise third-party (debt or equity) financing. The report provides a list of state participations in the mining sector, although the comprehensiveness of this list remains unclear given that the government failed to report any state participations, which were only reported by material companies included in the scope of reporting. One stakeholder consulted considered that it was likely that this list of state participations was not comprehensive given the lack of government reporting of these participations. The terms attached to these state	Partly met

	<p>participations in mining companies remain unclear from public documents, although one stakeholder consulted considered that the equity interests in mining companies was held on a full-paid equity basis. The report does not refer to the MSG's assessment of any loans or loan guarantees provided either by the state, or the two material SOEs, to any extractive companies operating in Guyana. None of the encouraged aspects of Requirement 2.6, such as the rules and practices related to SOEs' corporate governance, are described either in the 2018 EITI Report or other public sources referenced by the MSG for this Validation.</p>	
<p>Sale of the state's in-kind revenues (Requirement #4.2)</p>	<p>The Secretariat's assessment is that Requirement 4.2 was not applicable in Guyana in 2018. There is no evidence of in-kind revenues in the mining sector, while oil production in Guyana only commenced in December 2019, after the period under review. However, the state is entitled to in-kind revenues under the production-sharing contract framework in the oil and gas sector, which means that Requirement 4.2 will be applicable in Guyana for EITI Reports covering 2020 onwards. The Department of Energy has started disclosing the volumes and values of each of the seven oil cargos exported between 2020 and July 2021 on its website, albeit without information required by Requirement 4.2 such as the identity of the buyer.</p>	<p>Not applicable</p>
<p>Transactions related to state-owned enterprises (Requirement #4.5)</p>	<p>The Secretariat's assessment is that Guyana has partly met Requirement 4.5. Extractive company payments to GGB have been reconciled, although around 15% of revenues collected by GGB do not appear to have been reconciled, which raises concerns over the comprehensiveness of these disclosures. While GGB's transfers of two revenue streams (royalties and withholding tax) to GGMC were included in the scope of reconciliation, there is only evidence of the reconciliation of royalty transfers in the report. There is no information in the report on the value of transactions involving NICIL given the SOE's lack of participation in EITI reporting for 2018. Stakeholders consulted explained that NICIL had refused to participate in the 2018 EITI Report as they had requested an official letter from the Ministry of Finance directing them to do so, which had not been provided. It is unclear from the EITI Report or other public sources referenced by the MSG on whether the state made any transfers to either GGB or NICIL in 2018 and the value of such transfers, if applicable, is not disclosed.</p>	<p>Partly met</p>
<p>Quasi-fiscal expenditures (Requirement #6.2)</p>	<p>The Secretariat's assessment is that Requirement 6.2 is partly met in the period under review. While the 2018 EITI Report states that the MSG included disclosures of quasi-fiscal expenditures in the scope of reporting for NICIL, but not for GGB, the other entity it categorises as a SOE for EITI reporting purposes, there is no evidence of any further work by the MSG related to transparency in quasi-fiscal expenditures and there have been no disclosures of such expenditures, if they exist. The Secretariat welcomes the inclusion of both GGB and NICIL in EITI reporting. However, it remains unclear based on publicly accessible information whether these SOEs engage in quasi-fiscal expenditures. In its comments on the draft assessment, the MSG did not provide additional clarifications of its methodology for assessing the existence of quasi-fiscal expenditures.</p>	<p>Partly met</p>

	However, civil society MSG members provided comments on the draft assessment that indicated that the constituency did not consider the objective of Requirement 6.2 to be in the process of being fulfilled.	
New corrective actions and recommendations		
<ul style="list-style-type: none"> <p>• In accordance with Requirement 2.6, Guyana should ensure, where state participation in the extractive industries gives rise to material revenue payments, public disclosure of an explanation of the role of state-owned enterprises (SOEs) in the sector and prevailing rules and practices regarding the financial relationship between the government and SOEs. This should include disclosures of transfers, retained earnings, reinvestment and third-party financing related to SOE joint ventures and subsidiaries.</p> <p>Guyana should ensure public disclosures from the government and SOEs of their level of ownership in 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.</p> <p>This information should include details regarding the terms attached to their equity stake. Where there have been changes in the level of government or SOE ownership during the EITI reporting period, the government and/or SOEs are expected to disclose the terms of the transaction, including details regarding valuation and revenues.</p> <p>Where the government and SOEs have provided loans or loan guarantees to mining, oil and gas companies operating within the country, details on these transactions should be disclosed. SOEs are expected to publicly disclose their audited financial statements. To strengthen implementation, Guyana is encouraged to ensure public disclosure of descriptions of the rules and practices related to SOEs' operating and capital expenditures, procurement, subcontracting and corporate governance.</p> <p>• To strengthen implementation in accordance with Requirement 4.2 that will become applicable for EITI reporting covering 2020 onwards, Guyana is required to disclose the volumes received and sold by the state (or third parties appointed by the state to sell on their behalf), the revenues received from the sale, and the revenues transferred to the state from the proceeds of oil, gas and minerals sold, where the sale of the state's share of production of oil and gas or other revenues collected in kind is material. The published data must be disaggregated by individual buying company in accordance with Requirement 4.7. GYEITI, in consultation with buying companies, is expected to consider whether disclosures should be broken down by individual sale, type of product and price. In accordance with Requirement 4.2.b, Guyana is encouraged to disclose a 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. In accordance with Requirement 4.2.c, companies buying oil and gas from the state, including state-owned enterprises (or third-parties appointed by the state to sell on their behalf), are encouraged to disclose volumes received from the state or state-owned enterprise and payments made for the purchase of oil and gas. The published data could be disaggregated by individual seller, contract, or sale. In accordance with Requirement 4.2.d, where there are concerns related to data reliability and where practically feasible, Guyana EITI should consider further efforts to address any gaps, inconsistencies and irregularities in the information disclosed.</p> <p>• In accordance with Requirement 4.5, Guyana must ensure that the EITI reporting process comprehensively addresses the role of SOEs, including comprehensive and reliable disclosures of material company payments to SOEs, SOE transfers to government agencies and government transfers to SOEs.</p> <p>• In accordance with Requirement 6.2, where state participation in the extractive industries gives rise to material revenue payments, Guyana must include disclosures from SOEs on their quasi-fiscal expenditures. Guyana EITI is required to develop a reporting process with a view to achieving a level of transparency commensurate with other payments and revenue streams and should include SOE subsidiaries and joint ventures.</p> 		

Production and exports (Requirements 3.2, 3.3)

Overview of progress in the module

Guyana has made progress in using EITI reporting to document production and exports. The Secretariat's assessment is that Requirements 3.2 and 3.3 are fully met. In the mining sector, production data is disaggregated by region, company and commodity both for production volumes and values. Some, but not all production data is systematically disclosed. The situation is similar for mineral export data, although the MSG's comments on the draft assessment highlighted the publication of government reports on mineral production every six months. Guyana has also sought to address public demands for data on two economically important sectors, forestry and fisheries. Oil and gas production and exports only began in Guyana in late 2019 and is not therefore included in the scope of reporting covered by this Validation. There are opportunities to improve disclosures on the mining sector through the inclusion of disaggregated export data by state, region of origin or company and by describing the reliability and details of methods used to calculate production volumes.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement	Assessment
Production (Requirement #3.2)	The Secretariat's assessment is that Requirement 3.2 is fully met, but not yet exceeded. Total production volumes and values of mineral commodities are disclosed in the 2018 EITI Report, disaggregated by commodity, by region and by company. While aggregate production volumes for extractive commodities are systematically disclosed through the Bank of Guyana website, production values are not. Production values provided in the 2018 EITI Report do not include information about artisanal mining production, although these were not considered to give rise to material revenues to government	Fully met
Exports (Requirement #3.3)	The Secretariat's assessment is that Requirement 3.3 is fully met. For the mining sector, total export volumes and values are disclosed in the 2018 EITI Report disaggregated by commodity, but not by state, region of origin, company or project. Extractive commodity export volumes and values are systematically disclosed by GGMC and the Bank of Guyana. The methods and sources for calculating export information are not described in the 2018 EITI Report. The report does not include information about artisanal mining exports.	Fully met
New corrective actions and recommendations		

- To strengthen implementation, Guyana is encouraged to consider using its EITI reporting to explain the methods used for calculating production volumes and values in the extractive industries. When including its calculation methods, Guyana should comment on data reliability and its compliance with international data standards. Given the relevance of artisanal and small-scale mining for civic society and local economies, Guyana could consider strengthening implementation by including estimates of production volumes and values of artisanal-mined minerals.
- To strengthen implementation, Guyana may wish to consider ensuring systematic disclosures of disaggregated export information by state, region of origin, company or project. Guyana is also encouraged to consider using its EITI reporting to explain the methods for calculating export volumes and values. When including calculation methods, Guyana should also report on the reliability and compliance with international data standards.

Revenue collection (Requirements 4.1, 4.3, 4.4, 4.7, 4.8, 4.9)

Overview of progress in the module

Guyana's extractive sector was mainly composed by mining companies in the years covered for the 2018 EITI Report. The increased importance of oil and gas production will change this composition significantly when figures from recent years are disclosed. The EITI Reports reflect the large number of license-holders in the mining sector. Given the limitations imposed by taxpayer's confidentiality, GY-EITI had to assess materiality based on production and non-tax payments. The lack of tax identification numbers and poor exchange of data between the tax office and the licensing authorities added difficulty to the materiality exercise. A total of 59 companies were considered material. Yet only 18 of these companies participated in EITI reporting in 2018, rendering half of company payments unreconciled (i.e. not disclosed by both companies and government). There were additional gaps in disclosures on the government side. These include lack of reporting from the National Insurance Fund (NI Scheme) and NICIL, and lack of clarity about the coverage of signature bonuses. On the other hand, it seems confirmed that barter payments and transportation revenues are not applicable in the years covered.

It seems that a number of taxes are levied at the level of individual licenses but the absence of a definition of project level reporting impeded Guyana's progress with Requirement 4.7. EITI Reports have been published within the time period allowed in the Standard, included extensions granted in response to the restrictions imposed by the COVID-19 pandemic. Thus, the Secretariat's assessment is that Requirement 4.7 is partly met, while Requirement 4.8 is fully met.

Reliability of EITI data has been weak in Guyana's EITI reporting to date. While two reporting government agencies, the GRA and the Guyana Gold Board, had been audited by the Auditor General, a number of other agencies (GGMC, EPA, NIS and NICIL) which account for 38% of revenue collected did not have their financial statements audited. On the company side, the EITI Report confirmed that only 13 out of the 59 had their financial statements audited. In accordance with the TOR approved by the MSG, GYEITI agreed that reporting templates needed to be attested by the management of the companies to ensure quality of disclosed data. 15 of the 18 reporting companies provided such assurances. The IA has highlighted its significant concerns with the quality of data disclosed in the 2018 EITI Report. Thus, the Secretariat's assessment is that Requirement 4.9 is partly met.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement	Assessment
Comprehensive disclosure of taxes and revenues (Requirement #4.1)	<p>The Secretariat's assessment is that Requirement 4.1 is partly met. While the 2018 EITI Report provides an explanation for the scope of the reconciliation, including the materiality of revenue streams and companies, there are significant concerns over the comprehensiveness of the agreed scope in light of the lack of full government disclosure of total revenues from the extractive industries, concerns over weaknesses in government record-keeping and the exclusion of signature bonuses from the scope of reconciliation without explanation.</p> <p>The 2018 EITI Report is transparent about concerns that material payments to government from extractive companies may have been excluded from the scope of reconciliation. Nonetheless, material revenue streams and companies are listed and described in the report. Two thirds of material companies and a third of material government entities did not participate in EITI reporting. However, while the report contains the IA's assessment that the reconciliation was not comprehensive, it does not provide an assessment of the materiality of payments from individual non-reporting companies or to non-reporting government entities given taxpayer confidentiality constraints hindering the GRA's disclosure of individual taxpayers' payments.</p> <p>While the Validation template provides a final reconciliation coverage figure (66.8%), there is significant stakeholder scepticism about this figure given concerns over the comprehensiveness of the government's revenue disclosures. In its comments on the draft assessment, civil society MSG members highlighted the significant delays in mining company reporting to EITI. Therefore, the objective of comprehensive disclosures of company payments and government revenues from oil, gas and mining as the basis for a detailed public understanding of the contribution of the extractive industries to government revenues is far from being fulfilled.</p>	Partly met
Infrastructure provisions and barter arrangements (Requirement #4.3)	<p>The Secretariat's assessment is that Requirement 4.3 is not applicable in the period under review. The 2018 EITI Report confirms that material reporting entities were requested to disclose details of any barter agreements or infrastructure provisions but did not report any such agreements.</p>	Not Applicable
Transportation revenues (Requirement #4.4)	<p>The Secretariat's assessment is that Requirement 4.4 is not applicable in the period under review. The 2018 EITI Report confirms the lack of government revenues from the transportation of extractive commodities.</p>	Not Applicable
Level of disaggregation (Requirement #4.7)	<p>The Secretariat's assessment is that Requirement 4.7 is partly met. The reconciled financial data in the 2018 EITI Report is presented disaggregated by company, government entity and revenue stream, but not by project for revenues levied on a per-project basis. There is no</p>	Partly met

	evidence of an agreed definition of the term 'project' for the purposes of EITI reporting. Guyana EITI does not seem to have publicly mapped out the revenue streams that are imposed at the level of legal agreements, rather at the company level, nor documented legal agreements that are substantially interconnected or overarching.	
Data timeliness (Requirement #4.8)	The Secretariat's assessment is that Guyana has fully met Requirement 4.8. While delays to the publication of the 2018 EITI Report are a concern, the Report was published within the extended timeframe for reporting in accordance with the EITI Board's granting of Guyana's request for a three-month extension to its reporting deadline for 2018. There is evidence that the MSG approved the reporting period for the 2018 EITI Report.	Fully met
Data quality and assurance (Requirement #4.9)	The Secretariat's assessment is that Requirement 4.9 is partly met. Guyana EITI has agreed ToR for its Independent Administrator that are aligned with the Board-approved template. These ToR appear to have been adhered to in practice. However, the low level of compliance with agreed quality assurances for EITI reporting on the part of both companies and government is a concern. The lack of evidence of underlying audit of a majority of companies and government agencies reflects weaknesses in prevailing audit and assurance practices in both public and private sectors. While the 2018 EITI Report lists the reporting entities that did not provide the required quality assurances, it does not disclose the value of their individual payments to government given taxpayer confidentiality constraints. The report includes a clear statement that the IA considers the reconciled financial data for 2018 to be neither comprehensive nor reliable.	Partly met

New corrective actions and recommendations

- In accordance with Requirement 4.1, Guyana should demonstrate that all material payments and revenues are comprehensively disclosed by government entities and extractive companies. In addition, Guyana should guarantee that any material omissions should be disclosed, and the non-reporting entities named. To strengthen implementation, Guyana is encouraged to consider mechanisms for systematic disclosures of government (non-tax) revenue data through routine government and company systems.
- In accordance with Requirement 4.7, Guyana should ensure that reconciled financial data in future EITI Reports is disaggregated by project for revenue streams that are levied on a per-project (rather than per-company) basis. To do so, Guyana should agree a definition of the term 'project' for the purposes of EITI reporting, determine the revenue streams that are imposed at the level of legal agreements rather at the company level, and document legal agreements that are substantially interconnected or overarching of several licenses.
- In accordance with Requirement 4.9.a, the EITI requires an assessment of whether the payments and revenues are subject to credible, independent audit, applying international auditing standards. In accordance with Requirement 4.9.b.iii and the standard Terms of Reference for the Independent Administrator agreed by the EITI Board, the MSG and Independent Administrator should:
 - examine the audit and assurance procedures in companies and government entities participating in the EITI reporting process, and based on this examination, agree what information participating companies and government entities are required to provide to the Independent Administrator in order to assure the credibility of the data in accordance with Requirement 4.9. The Independent Administrator should exercise judgement and apply appropriate international professional standards in developing a procedure that provide a sufficient basis for a comprehensive and reliable EITI Report. The Independent Administrator should employ his/her professional judgement to determine the extent to which reliance

can be placed on the existing controls and audit frameworks of the companies and governments. The Independent Administrator's inception report should document the options considered and the rationale for the assurances to be provided.

- ensure that the Independent Administrator provides an assessment of comprehensiveness and reliability of the (financial) data presented, including an informative summary of the work performed by the Independent Administrator and the limitations of the assessment provided.
- ensure that the Independent Administrator provides an assessment of whether all companies and government entities within the agreed scope of the EITI reporting process provided the requested information. Any gaps or weaknesses in reporting to the Independent Administrator must be disclosed in the EITI Report, including naming any entities that failed to comply with the agreed procedures, and an assessment of whether this is likely to have had material impact on the comprehensiveness and reliability of the report.

Revenue management (Requirements 5.1, 5.3)

Overview of progress in the module

Guyana has made progress in fulfilling the objectives of Requirements 5.1 and 5.3 by enabling stakeholders to better understand how revenues are recorded in the national budget, through the disclosure of the types of extractive sector revenues recorded in the state budget. Guyana has disclosed a description of the distribution of government revenues from the extractive industries as part of its most recent EITI reporting. The Secretariat's assessment is that Requirement 5.1 is mostly met. To meet the intent of the requirement in full, the financial report describing how NICIL manages the extractive revenues it collects as dividends from mining companies in which it holds equity would need to be disclosed. Given the lack of a SOE that actively develops projects in the mining sector, there appears to be public interest in how NICIL manages the state's participations in extractive companies and manages the revenues it collects from these interests.

Disclosures through EITI reporting of a description of the country's budget and audit processes and links to the publicly available information on budgeting demonstrate that Guyana has made some progress in meeting the objective of Requirement 5.3. Stakeholder consultations indicated substantial delays of up to five financial years in undertaking and completing audits of public sector agencies and institutions. Stakeholders also noted concerns regarding the time lag between the time the National Assembly Speaker receives a national audit report and the point at which it is presented to the Assembly for Parliamentary oversight and scrutiny. The Secretariat's assessment is that Requirement 5.3 remains not assessed since Guyana has yet to comprehensively address all aspects of this requirement and has not yet exceeded the requirement's objective. While Guyana's EITI disclosures include a description of the budget cycle, other aspects such as revenue forecasting and production projections have not yet been addressed through EITI reporting or systematic disclosures in the period under review.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement	Assessment
Distribution of extractive industry revenues (Requirement #5.1)	<p>The Secretariat's assessment is that Requirement 5.1 is mostly met. To meet the requirement in full, the financial report describing how NICIL manages the extractive revenues it collects as dividends from mining companies in which it holds equity would need to be disclosed. Guyana's 2018 EITI Report clarifies that all extractive sector revenues are recorded in the national budget, with the exception of a 0.5% deduction from royalty revenues collected by the Guyana Gold Board (GGB), which it retains from royalties subsequently transferred to the Guyana Gold Mining Commission (GGMC). The value of revenues not recorded in the budget (i.e. the 0.5% of royalties retained by GGB) is disclosed through EITI reporting. Mining company dividends collected by NICIL, a SOE, constitute another off-budget revenue stream. An overview of the legislation governing the establishment and management of the Natural Resource Fund and the political process leading to its establishment is disclosed through EITI reporting.</p> <p>NICIL, as the SOE that holds the government's interests in extractive companies (see Requirement 2.6), collects dividends from at least two mining companies in which it holds equity interests, but is statutorily allowed by the Companies Act (1991) to decide its own dividend to government, which implies that NICIL is allowed to retain a share of mining companies' dividends from its transfers to the government. However, the value of these retained earnings is not publicly disclosed and there do not appear to be any publicly accessible financial reports describing NICIL's financial management of extractive revenues not recorded in the government budget. Financial reports explaining the allocation of extractive revenues collected by the GGB and retained, rather than recorded in the national budget, are systematically disclosed on the Guyana Gold Board website. The national revenue classification systems are in line with international data standards, namely the International Monetary Fund's (IMF) GFS standard, although the MSG's comments on this draft assessment clarified that the GFS nomenclature used in Guyana is not the latest GFS nomenclature issued by the IMF.</p>	Mostly met
Revenue management and expenditures (Requirement #5.3)	<p>Neither Guyana's EITI reporting nor systematic disclosures by government provide any description of extractive revenues earmarked for specific programmes or geographic regions, including a description of the methods for ensuring efficiency and accountability in their use. The 2018 EITI Report discloses a description of Guyana's budget and audit processes. National budget estimates are systematically disclosed on the website of the Ministry of Finance. The MSG's submission for this Validation referenced the Audit Office's 2018 annual report, although this document no longer appears publicly accessible on the Audit Office's website (where the most recent annual report covers 2017). There is no evidence of further public disclosures of further information related to the budget cycle, production and commodity</p>	Not assessed

	price assumptions and revenue sustainability, resource dependence, and revenue forecasting.	
New corrective actions and recommendations		
<ul style="list-style-type: none"> • In accordance with Requirement 5.1, Guyana should ensure public disclosure of which extractive industry revenues, whether cash or in kind, are recorded in the national budget. Where revenues are not recorded in the national budget, the allocation of these revenues must be explained, with links provided to relevant financial reports as applicable. • To strengthen implementation, Guyana is encouraged to ensure public disclosure of any extractive revenues that are earmarked to specific programs, uses or geographical zones within the country, as well as of audit reports and disclosures related to revenue sustainability, including production projections and the proportion of future fiscal revenues expected to come from the extractive sector. 		

Subnational contribution (Requirements 4.6, 5.2, 6.1)

Overview of progress in the module

There is no evidence of any payments by mining, oil and gas companies to subnational government entities in Guyana in the period under review. Review of the MSG's scoping study and minutes of MSG meetings do not indicate any discussion of direct subnational payments, however. Despite the lack of evidence of MSG deliberations on the issue, the Secretariat's assessment is that Requirement 4.6 is not applicable given the lack of evidence of any such payments in the period under review. Stakeholder consultations similarly did not indicate any concerns that there were direct subnational payments by extractive companies or transfers of extractive revenues in the period under review. There is equally no evidence of any subnational transfers of extractive revenues in the period under review. The Secretariat's assessment is therefore that Requirement 5.2 is not applicable in the period under review.

There appears to be substantial public interest in extractive companies' social and environmental expenditures, evidenced both in robust media and public debate and stakeholder consultations for this Validation. While the 2018 EITI Report discloses companies' disclosures of both mandatory and voluntary social expenditures paid to third-party beneficiaries, the MSG does not yet appear to have sufficiently clarified the legal or contractual basis for mandatory social expenditures. Thus, Guyana's EITI Reports disclose some information on social expenditures, but without clarifying the legal or regulatory basis for each expenditure. Guyana's EITI reporting is seen to have made an impact on the transparency of extractive companies' social expenditures by many stakeholders consulted, although several stakeholders expressed doubt over the comprehensiveness of such disclosures. Indeed, the detailed information listed under Requirement 6.1.a is not consistently provided for all social expenditures disclosed by companies participating in EITI reporting. This appears to have hindered the public and civil society's ability to track the implementation of companies' social expenditure projects in practice. With regards to environmental payments to government, the 2018 EITI Report does not clarify the specific types of environmental payments to government that extractive companies are legally or contractually required to undertake and does not disclose either mandatory or voluntary environmental payments to government. In its comments on the draft assessment, civil society

MSG members raised concerns over the lack of disclosures of legal basis for companies social and environmental expenditures that had been disclosed through EITI Reports. The Secretariat's assessment is that Requirement 6.1 is partly met in Guyana.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement	Summary of progress in addressing the EITI Requirement	Assessment
Subnational payments (Requirement #4.6)	The Secretariat's assessment is that there were no direct subnational payments by extractive companies in the period under review and thus that Requirement 4.6 is not applicable. There is no documentation of the MSG's approach to determining the applicability of Requirement 4.6 based on a review of MSG meeting minutes or various documentation on scoping. A review of relevant laws and regulations found no indication of fiscal devolution in Guyana's extractive industry revenues. No evidence indicated that subnational government entities held revenue-collecting powers in the period under review.	Not applicable
Subnational transfers (Requirement #5.2)	The Secretariat's assessment is that Requirement 5.2 was not applicable in the period under review as there is no indication of subnational transfers of extractive revenues. The MSG did not document its work to assess the applicability of this requirement in the period under review. There is no evidence in the public domain of any subnational transfers of extractive revenues mandated by a national constitution, statute or other revenue sharing mechanism, material transfers in the period under review.	Not applicable
Social and environmental expenditures (Requirement #6.1)	<p>Guyana has made progress in using its EITI reporting to ensure public disclosures of extractive companies' social expenditures, but not yet of any environmental payments to government that may be legally or contractually required. The 2018 EITI Report discloses some reporting companies' disclosures of both mandatory and voluntary social expenditures, although the legal basis for the social expenditures categorised as 'mandatory' remains unclear. Some of the information listed in Requirement 6.1.a is not publicly accessible for a significant share of disclosures of mandatory social expenditures disclosed in the 2018 EITI Report.</p> <p>In terms of environmental payments to government, the 2018 EITI Report only states that awards of mining licenses are contingent on the approval of an Environmental and Social Impact Assessment but does not clarify the specific legally and contractually mandated payments to government related to the environment that are required of mining, oil and gas companies. The 2018 EITI Report does not appear to have included voluntary environmental expenditures in the scope of company reporting for 2018. Some stakeholders consulted considered that Guyana had made efforts to disclose social and environmental expenditures but that the objective was only in the process of being fulfilled. The Secretariat's assessment is that Requirement 6.1 is partly met in Guyana.</p>	Partly met
New corrective actions and recommendations		

- To strengthen implementation, Guyana is encouraged to review the existence and materiality of any direct subnational payments by extractives companies on an annual basis to ensure that all material direct subnational payments are comprehensively and reliably disclosed, where applicable.
- To strengthen implementation, Guyana is encouraged to review the existence and materiality of any subnational transfers of government extractive revenues on an annual basis to ensure that all such subnational transfers are publicly disclosed in accordance with Requirement 5.2, where applicable.
- In accordance with Requirement 6.1, Guyana should ensure public disclosure of the legal or contractual terms that require extractive companies to undertake mandatory social expenditures. In accordance with Requirement 6.1, Guyana should ensure that all mandatory social expenditures are disclosed, where material social expenditures by companies are mandated by law or the contract with the government that governs the extractive investment. Guyana should also ensure the comprehensive and reliable disclosure of all environmental payments to government by extractive companies, where these are considered material. To strengthen implementation, Guyana is encouraged to consider disclosing extractive companies' voluntary social and environmental expenditures.

Background

Overview of the extractive industries

An overview of the extractive industries is accessible on the [country page](#) of the EITI website for Guyana.

History of EITI implementation

The history of implementation is accessible on the [country page](#) of the EITI website for Guyana.

Explanation of the Validation process

An overview of the Validation process is available on the EITI website.¹⁰ The [Validation Guide](#) provides detailed guidance on assessing EITI Requirements, while the more detailed [Validation procedure](#) include a standardised procedure for undertaking Validation by the EITI International Secretariat.

The International Secretariat's country implementation support team include Francisco Paris and Emmanuel Aguilar Burgoa, while the Validation team was comprised of Ida Jøker Krog, Alex Gordy and Matt Mossman.

Confidentiality

The detailed data collection and assessment templates are publicly accessible, on the internal Validation Committee page here.

The practice in attribution of stakeholder comments in EITI Validation reports is by constituency, without naming the stakeholder or its organisation. Where requested, the confidentiality of stakeholders' identities is respected, and comments are not attributed by constituency.

Timeline of Validation

The Validation of Guyana commenced on 1 October 2021. A public call for stakeholder views was issued on 1 September 2021. Stakeholder consultations were held virtually on 11-29 October 2021. The draft Validation report was finalised on 6 December 2021. Following comments from the MSG on 31 January 2022, the Validation report was finalised for consideration by the EITI Board.

¹⁰ See <https://eiti.org/validation>

Resources

- Validation data collection file – [Stakeholder engagement](#)
- Validation data collection file – [Transparency](#)
- Validation data collection file – [Outcomes and impact](#)