

EITI policy and methodology are guided by the [EITI Principles](#) and [EITI Criteria](#), and are outlined in detail in the [EITI Sourcebook](#) and [EITI Validation Guide](#). The EITI Board has also issued a number of clarifications and guidance notes to implementing countries. These are published as EITI Policy Notes. Questions regarding EITI policy and methodologies may be directed to the EITI International Secretariat, which will refer questions to the EITI Board for decision where necessary.

## EITI POLICY NOTE #3 VALIDATION DEADLINES

Approved by the EITI Board on 27 May 2008

### Introduction

Validation is an essential feature of the EITI process. It serves two critical functions. First, it promotes dialogue and learning at the country level. Second, it safeguards the EITI brand by holding all EITI implementing countries to the same global standard. Candidate Countries must complete a Validation within two years. The EITI Board has established the deadlines for all Candidate Countries<sup>1</sup>, and has agreed the rules for assessing a country's EITI status at these deadlines<sup>2</sup>. A summary is presented in Figure 1, below. In all decisions on Validation, the Board will place a priority on the need for comparable treatment between countries and the need to protect the integrity of the EITI brand.

Figure 1 – Validation Deadline Scenarios

Status at Validation Deadline:	Implications:
1. Validation Not Started	Delisted*
2. Validation Started, Not Completed	Delisted*
3. Validation Completed	
a) No meaningful progress	Delisted
b) Meaningful progress, but not yet compliant	Candidature can be renewed via MSG Application **
c) Close to Compliance	Compliant status following EITI Secretariat Review
d) Verifies Compliance	Compliant status granted for 5 Years ***

\* Except in “exceptional and unforeseeable circumstances”

\*\* Application to Board requires new agreed workplan, before 2 year deadline

\*\*\* Stakeholders or the EITI Board can request another Validation before the 5 year deadline

<sup>1</sup> The EITI Board has set a deadline of 9 March 2010 for the first 22 Candidate Countries (Azerbaijan, Cameroon, Gabon, Ghana, Guinea, Kazakhstan, Kyrgyzstan, Liberia, Mali, Mauritania, Mongolia, Niger, Nigeria, Peru, Yemen, Congo, DR Congo, Equatorial Guinea, Madagascar, Sao Tome and Principe, Sierra Leone, Timor-Leste). Cote D'Ivoire was admitted as the 23rd Candidate Country on 11 May 2008, and therefore is required to complete a Validation by 10 May 2010.

<sup>2</sup> The EITI Board agreed its position on *Determining the Status of Implementing Countries Following the 2-year Validation Deadline* at 5th EITI Board Meeting Madrid, 27 May 2008 (Board Paper 5-3)

## **EITI Board Decisions on Determining the Status of Implementing Countries following the 2-year Validation Deadline**

### Treatment of EITI Candidates with Incomplete Validations at the 2 year deadline

The Board has resolved that Candidate Countries must complete a Validation process within 2 years. For the first 22 Candidate countries, the deadline has been set at 9 March 2010. In accordance with the EITI Principles, and in order to protect the integrity of the EITI brand, the Board will delist Candidate Countries that have not completed a Validation within the two year period. A “complete Validation” is defined as follows:

1. The Validation report is agreed and endorsed by the multi-stakeholder group, the government and the EITI Board
2. The report has been published and is publicly available;
3. Payment of the Validator has been completed.

The Board will only consider extending the deadline for completing the Validation process in exceptional and unforeseeable circumstances (where constraints arise that are beyond the control of the EITI Candidate country). An extension will only be considered where an application, endorsed by the multi-stakeholder group, is presented to the Board in advance of the deadline. The Board requests that the EITI Secretariat maintains its work to publicise the central importance of Validation within the EITI methodology, including further outreach work in implementing countries, and, where necessary, to provide technical assistance to ensure that Validation is completed ahead of the 2 year deadline. The Board requests regular updates from the Secretariat on the status of Validation in implementing countries.

### Determining the Status of Implementing Countries Following Validation.

The Board expects Candidate countries to strive toward achieving EITI Compliant status within 2 years. Where Validation verifies that a Candidate country has fully implemented EITI, and met all of the indicators in the Validation grid, the Board will designate that country as EITI Compliant. Retaining Compliant status requires that the country is revalidated within 5 years.

Stakeholders in the process may call for a new Validation of an EITI Compliant country at any time within that five-year period if they think the process needs reviewing. This request could be mediated (if necessary) through a member of his or her constituency representative(s) on the Board. The Board will review the situation and exercise its discretion as to whether to require the EITI Compliant Country to undergo a new Validation, placing a priority on the need to uphold the integrity of the EITI brand.

Where valid concerns exist that a country has become EITI Compliant, but its implementation of the EITI has subsequently fallen below the standard required for Compliance, then the Board reserves the right to require the country to undergo a new Validation or face delisting from the EITI.

Where an EITI Candidate country has completed Validation within two years, but the Validation shows that no meaningful progress has been made toward achieving EITI Compliance, and that there is little evidence of a sincere intention to implement EITI in line with the Principles and Criteria, the Board will de-list the country from the list of Candidate countries.

In assessing “meaningful progress” the Board will have regard to:

1. The EITI process – in particular the functioning of the Multi-stakeholder Group and clear, strong commitment from Government; and
2. The status of EITI Reporting. Specifically, the Board expects that an EITI Report has been published and made publically available with the first two year period.

An EITI Candidate Country that has completed Validation within two years, and has made meaningful progress in EITI Implementation without achieving Compliant status, may apply to have its Candidate status renewed, subject to a clearly defined and agreed workplan for achieving Compliant status, including a schedule for its next

Validation. The application for extending EITI Candidature should be made following the completion of the Validation exercise, and must be endorsed by the multi-stakeholder group.

In circumstances where the Validation shows that a Candidate Country has not only made meaningful process, but can reasonably expect to achieve Compliance within a very short time, then the Board may, at its discretion, waive the requirement for a second Validation and empower the EITI Secretariat to reassess the country's status within a specific period. The Secretariat will submit its assessment to the Board for review. Where the Board is satisfied that remaining requirements have been met, the country will be designated as EITI compliant. In the interim, the country will retain its Candidate status.

In reviewing applications for renewal of Candidate status, the Board will place a priority on the need to preserve the integrity of the EITI brand and for consistency of treatment between Candidate countries. The Board is only likely to grant an application in exceptional cases where a Candidate Country's efforts to reach Compliant status within two years have been hindered by unforeseen difficulties or by constraints beyond its control.

An implementing country – via its Multi-stakeholder group – may petition the EITI Board to review its decision regarding the country designation as a Candidate or Compliant Country at any time. The Board will consider such petitions with regard to the facts of the case, the need to preserve the integrity of the EITI brand and the principle of consistent treatment between countries. The Board's decision is final.

For further information regarding these requirements, contact Sam Bartlett at the EITI Secretariat: [sbartlett@eitransparency.org](mailto:sbartlett@eitransparency.org).