Questions of public consultation on EITI validation system – Swiss position

- Should effort and progress in meeting the requirements over time be taken into account in validation?
  Yes, this is already done through admitting meaningful progress.

- Should validation encourage reporting that go beyond the EITI requirements?
  EITI has already taken on a wide range of issues with the revision of the Standard. Before going further, the EITI should gain experience with the Standard before looking at additional issues. The Standard already encourages a number of areas for additional information. Validation should focus on the core task and not get distracted by non-compulsory issues.

- Should the timeframe for countries to achieve compliance be the same for all implementing countries? If so, should the timeframe be a fixed number of years as at present?
  Yes, if the EITI starts to use different timeframes for different countries it opens to box of the Pandora. Each country will come up with a reason why it should be allowed more time for implementation. Moreover, the period of two years between the end of a fiscal year and the publication of a report provides for sufficient time to complete the work. If the situation is particularly complex in a country, the governments should do more preparatory work before applying to become a candidature.

  In addition, the question does not directly concern the validation system but the general EITI requirements and should therefore not have been included in the scope of this consultation.

- Should progress and direction of travel matter for how much time countries are given to achieve compliance?
  The current system already foresees that progress and direction of travel matter. Countries which made meaningful progress but did not succeed to become compliant receive an additional 12 months to implement remedial action.

- To what extent should the local context in which the EITI is being implemented be taken into account during validation? Taking the possibility of a suspension into account, countries can be candidates for 4.5-5 years before they are actually delisted. This should be sufficient time to implement all the requirements even in a country where the situation is complex.

  No, the Standard is a success because it applies the same criteria to every country.

- Should EITI requirements continue to be assessed as met or unmet?
  Yes, the EITI needs a clear pass/fail system to function. The validation analyses the requirements one-by-one and not only through one overall assessment. This already provides for sufficient granularity to show whether a country makes an effort or not.

- Should there be more disaggregated assessments, showing which requirements are met and which requirements are unmet, including the level of progress in meeting each requirement?
Validation reports already provide a detailed assessment against each requirement as stated on p. 39 of the Standard: “Each requirement should be assessed as “met” or “unmet””. It is unclear to us what the actual question is here. Perhaps, the external communication of the results of the validation could be more nuanced to indicate if a country is still far from compliance and what the shortcomings are. But this is a decision of the Board and not defined by the Standard.

- **Should the consequences of not reaching compliance status be removed? I.e. countries are allowed to stay members of the EITI as long as they make progress towards meeting requirements?**

  No, countries should be delisted if they are not able to achieve compliance status in a reasonable timeframe. This is in-line with the description in the Standard (p. 35): “EITI Candidate status is for a finite period that leads, in a timely fashion, to the achievement of EITI Compliant status”.

- **How can validation measure progress or direction of travel towards meeting a requirement?**

  The terminology of today’s Standard (meaningful progress, limited progress, no meaningful progress) can be applied.

- **Should validation take place more frequently to measure progress, for example at the end of each EITI reporting cycle, or is the current frequency of every 3 years adequate?**

  The current frequency is adequate. Doing validation more often would not serve any useful purpose.

- **Should the concept of “Candidate” and “Compliant” be replaced, and if so with what?**

  The concepts have served the EITI well. Being EITI compliant is an achievement and should be rewarded with the corresponding label.

- **What terminology could be suitable to indicate the various degrees of progress in meeting EITI Requirements? Are the current concepts of “limited progress” and “meaningful progress” appropriate?**

  Yes

- **How can Validation incentivize countries to continue to progress and innovate both before and after reaching compliance status?**

  It is not the role of validation to incentivize countries to progress or innovate. This should be the role of the MSGs and the outreach activities by the EITI. The Standard is clear about this on p. “It [Validation] serves to assess performance and promotes dialogue and learning at the country level. It also safeguards the integrity of the EITI by holding all EITI implementing countries to the same global standard.”

- **Should multi-stakeholder groups and/or local and international experts on extractive sector governance have a greater role in Validation?**

  It is not clear what would be achieved by such a change except making the validation process less clear.

- **Should the International Secretariat have a greater role in carrying out Validation assessments? What are the risks and benefits of this approach? What should be done to mitigate conflicts of interest?**

  No. The role of the Secretariat should not be made ambiguous.