

*This note has been issued by the EITI International Secretariat to provide guidance to implementing countries on meeting the requirements in the EITI Standard. Readers are advised to refer to the EITI Standard directly, and to contact the International Secretariat to seek further clarification. Contact details can be found at [www.eiti.org](http://www.eiti.org)*

## Summary EITI Reports

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### *Guidance note 12 - Requirements 7.1.c, 7.2.a and b*

EITI Reports can be an important source of information on how a country's natural resources are managed. However, the subject matter is often complex and technical, which can be challenging to present in an understandable way, especially for non-specialists. Some early EITI Reports have proved to be difficult for citizens, journalists and other stakeholders to understand and make use of. In order to realise the benefits from the EITI, and to meet the requirements in the EITI Standard, implementing countries are advised to devote time and resources toward ensuring that the EITI Reports are readily comprehensible.

The EITI Standard requires that an EITI Report is "comprehensible, including by ensuring that it is written in a clear, accessible style and in appropriate languages" (7.1.c). The EITI Report is in most cases produced by an Independent Administrator. Where parts of the report are authored by the MSG, the national secretariat or others, this should be clearly noted. When drafting the Terms of Reference for the Independent Administrator, MSGs are advised to ensure that the EITI Report is well structured and uses clear and concise language. Further work is often needed to ensure that the report is readily comprehensible.

As a measure to further improve the accessibility of EITI Reports, the EITI Standard encourages the publication of a summary EITI Report (7.2.a). A summary report has several uses:

- As an executive summary, prefacing the full EITI Report authored by the Independent Administrator.
- Many countries have chosen to develop a summary EITI report that is printed and used as a key communication tool by itself.
- Countries that perform EITI reporting through online databases (as described in requirement 7.2.c) may opt to develop only a summary EITI Report, and to make detailed and technical data available online.

It is as important as for full EITI Reports that summary reports are reviewed and endorsed by the MSG. Trust is likely to be undermined if the interpretation agreed by the MSG in the full report is not fairly reflected in any summary. Thus it is good practice to ensure that all constituencies are consulted in the preparation of any such summary. This guidance note provides advice for national secretariats and

MSGs, and presents some good practices from implementing countries. Guidance note 19 on publishing data from EITI Reports provides further information on how countries can meet these goals, and gives examples of how countries have accomplished this to date<sup>1</sup>. The EITI Communications Guide *Talking Matters*<sup>2</sup> can be consulted for further advice on message development, style and writing tips and other relevant guidance for producing a summary EITI Report.

#### **Requirement 7.1 Public debate.**

**The multi-stakeholder group must ensure that the EITI Report is comprehensible, actively promoted, publicly accessible and contributes to public debate. Key audiences should include government, parliamentarians, civil society, companies and the media.**

The multi-stakeholder group is required to:

c) Ensure that the EITI Report is comprehensible, including by ensuring that it is written in a clear, accessible style and in appropriate languages.

**7.2** The multi-stakeholder group is encouraged to:

a) Produce brief summary reports, with clear and balanced analysis of the information, ensuring that the authorship of different elements of the EITI Report is clearly stated.

b) Summarise and compare the share of each revenue stream to the total amount of revenue that accrues to each respective level of government.

**Source:** The EITI Standard 2016, pp. 29-30

## **More than a condensation: the central tool for informing and influencing public discourse**

A summary of an EITI Report will commonly include a short overview of the governance of the extractive sector, key financial information on the company payments and government receipts, a short narrative on the findings and recommendations made by the Independent Administrator.

A summary typically condenses the main information of a document to approximately 10% of the length of the original report.<sup>3</sup> The summary report:

- can be expected to attract many more readers than the full report;
- will be the central tool for informing and influencing the public debate about the state of natural resource transparency in the country;
- will be the primary vehicle for the national secretariat and the MSG to articulate what it sees as the key agreed findings and recommendations for further action; and
- may be an opportunity to engage the reader to further action.

<sup>1</sup> <https://eiti.org/guidance-notes-and-standard-terms-reference#GN19>

<sup>2</sup> <http://eiti.org/document/talking-matters>

<sup>3</sup> *Talking Matters*, p. 63

Therefore, national secretariats and MSGs are advised to take great care to develop the key messages<sup>4</sup> in the summary report. These messages articulate what the MSG wants its target audiences<sup>5</sup> to understand.

It will often be prudent to assume that the reader of a summary report will have little or no prior knowledge of the EITI. It is therefore important to provide some contextual information about the national EITI and to limit the use of technical expressions in the summary report.

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<sup>4</sup> Message development, see *Talking Matters*, pp. 28-35

<sup>5</sup> Target audiences, see *Talking Matters*, p. 23

## Checklist

The following checklist may be helpful when developing a summary EITI Report:

- Does it provide a concise overview of the country's extractive sector, of company payments and government revenues?
- Does the summary easily identify the key findings and recommendations from the report?
- Does it contain a mix of narrative and visuals, such as graphs, info-graphics, pictures, etc.?
- Has it been reviewed by a person not familiar with the EITI and, as far as practicable, cleaned for technical expressions that are not widely understood?
- Does it explain briefly what the EITI is and the purpose of the EITI Standard, and provide a pointer to further information?
- Does it explain how to access the rest of the EITI Report?
- Does it clearly explain if there are any unresolved discrepancies?
- Does it explain in non-technical terms or show in visual form: the revenue streams covered, the share of each revenue stream of the total amount of revenue, the share going to the respective levels of government?
- Is it clear who authored the summary report?
- It may be useful to consider a quote or foreword from a Minister or government official, e.g., the EITI champion or the Chair of the MSG.
- Does the summary highlight where the report has gone beyond the minimum requirements of the EITI Standard with a description of which elements were included and why?
- Does the summary point to places where more information can be found: contact information, a website, reference to complementary reports and other relevant information?

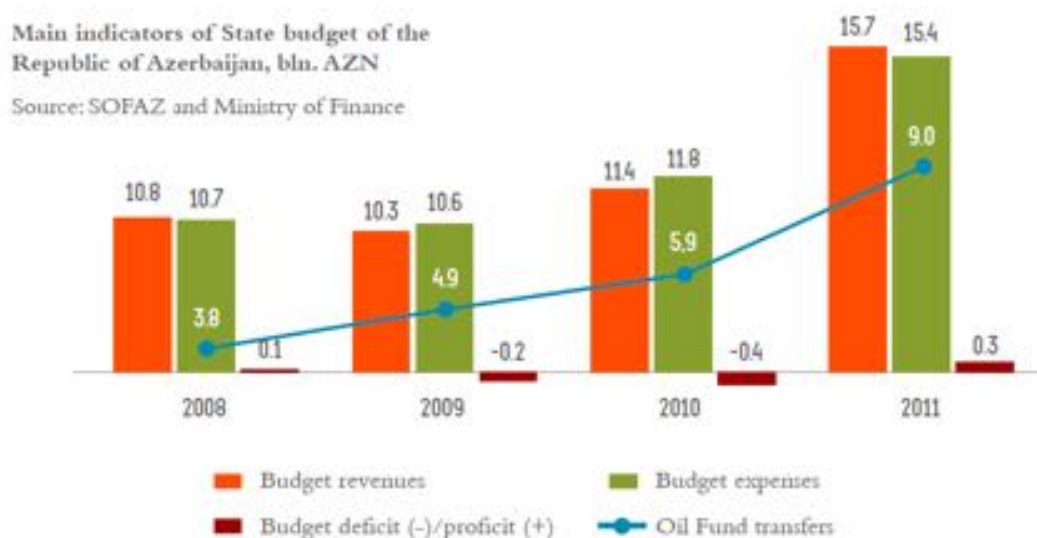
## Good practices

### Good practice 1: Short text and simple language for a concrete summary

Tanzania<sup>6</sup> produced a summary report for the second EITI Report covering the financial year 2010. This summary presented an explanatory introduction of the EITI and about the importance of transparency followed by short description of the data that was reconciled.

### Good practice 2: Visualize the information by using graphs

Azerbaijan 2011 EITI Report uses visualizations to explain the findings of the EITI Report and data relevant to the management of the natural resource sector. The graph below illustrates the relationship between the transfers made from the Oil Fund and the national budget revenues and expenses.



Source: [Azerbaijan 2011 EITI Report](#)<sup>7</sup>, page 11

<sup>6</sup> See *Talking Matters*, p. 64.

<sup>7</sup> <http://eiti.org/files/Azerbaijan-2011-EITI-Report.pdf>

### Good practice 3: Contextualizing financial information

The [Nigeria 2013 Oil & Gas EITI Report](#)<sup>8</sup> offers a summary table of the financial values received by the government, between 2009 and 2011, detailed by tax category. This table is followed by a concise explanatory remark indicating an analysis of the financial flows.

Table 3.1.1: Comparison of Financial Flows

	2009 US\$'000	2010 US\$'000	2011 US\$'000	2012 US\$'000	2013 US\$'000	% Changes between 2012 and 2013
<b>Sales of Crude Oil and Gas</b>						
Federation Equity & Profit Oil	20,133,931	17,693,065	24,760,831	21,611,586	19,050,886	-12%
Domestic Crude	9,901,033	13,228,942	18,363,100	18,147,751	17,435,818	-4%
Gas	951,857	456,284	610,857	489,033	616,006	26%
Feed Stock	415,328	1,320,043	1,825,617	1,845,370	1,357,525	-26%
<b>Sales of Crude Oil and Gas (Total)</b>	<b>20,803,649</b>	<b>12,698,334</b>	<b>45,560,405</b>	<b>42,093,340</b>	<b>38,460,235</b>	<b>-9%</b>
<b>*Less: PSCs / MCAs in Kind Payments</b>						
Petroleum Profit Tax (PPT) - PSCs/MCAs	2,854,787	4,861,801	8,234,874	10,750,802	10,273,854	-5%
Royalty (Oil) - PSCs/MCAs	337,916	203,512	601,413	959,781	993,367	3%
MCA Gas CIT/EDT	-	-	-	-	81,954	
MCA Royalty (Gas)	-	-	-	-	18,343	
<b>PSCs/MCAs in Kind Payments (Total)</b>	<b>3,192,703</b>	<b>5,065,313</b>	<b>8,836,287</b>	<b>11,710,583</b>	<b>11,369,318</b>	<b>-3%</b>
<b>Sub-Total (A)</b>	<b>17,610,946</b>	<b>27,635,021</b>	<b>36,724,118</b>	<b>30,373,757</b>	<b>27,090,917</b>	<b>-11%</b>
<b>Other Specific Financial Flows</b>						
Petroleum Profit Tax (PPT)	5,399,508	8,590,183	18,763,688	18,851,676	17,591,512	-7%
Royalty (Oil)	2,578,360	3,853,835	6,041,396	6,725,282	6,182,319	-8%
Royalty (Gas)	30,658	75,327	90,076	107,601	119,093	11%
**Signature Bonus	5,000	-	216,146	-	12,500	100%
Gas Flared Penalties	19,300	17,873	22,487	24,580	18,475	-25%
Concession Rentals	1,446	1,151	2,225	2,895	133,750	4520%
<b>Total Confirmed Flows</b>	<b>8,034,272</b>	<b>12,538,369</b>	<b>25,136,018</b>	<b>25,732,034</b>	<b>24,057,650</b>	<b>-6%</b>

<sup>8</sup> [http://neiti.org.ng/sites/default/files/pdf\\_uploads/2013-OIL-GAS-REPORT/2013-Oil-Gas-Report-Full.pdf](http://neiti.org.ng/sites/default/files/pdf_uploads/2013-OIL-GAS-REPORT/2013-Oil-Gas-Report-Full.pdf)

### 3.1.2 Analysis of Financial Flows

The previous audit cycles witnessed a steadily increasing trend in the total Financial Flows to Federation from \$30.129 billion in 2009, to \$44.944 billion in 2010, and \$68.442 in 2011. However there was a decline in 2012 and 2013 to \$62.944 billion and \$58.080 billion respectively. The decrease in 2013 was largely due to a drop in the Sales Revenue from Crude Oil and Gas attributable to reduction in production and lifting volumes as in the case of 2012.

The reduction in production and lifting Volumes is as a result of the following:

- Divestment of Federation equity in some OMLs, notably from NAOC and SPDC JVs from which NNPC lifted Crude Oil on behalf of NPDC instead of Federation account.
- Deferred production and Crude losses due to destruction of production facilities and pipeline breakages.
- Crude Theft”

Source: Page 47, [Nigeria 2013 Oil & Gas EITI Report](#)

**Nigeria Extractive Industries Transparency Initiative**  
**Financial Flows Reconciliation Report - 2009 - 2011 Oil & Gas Audit**

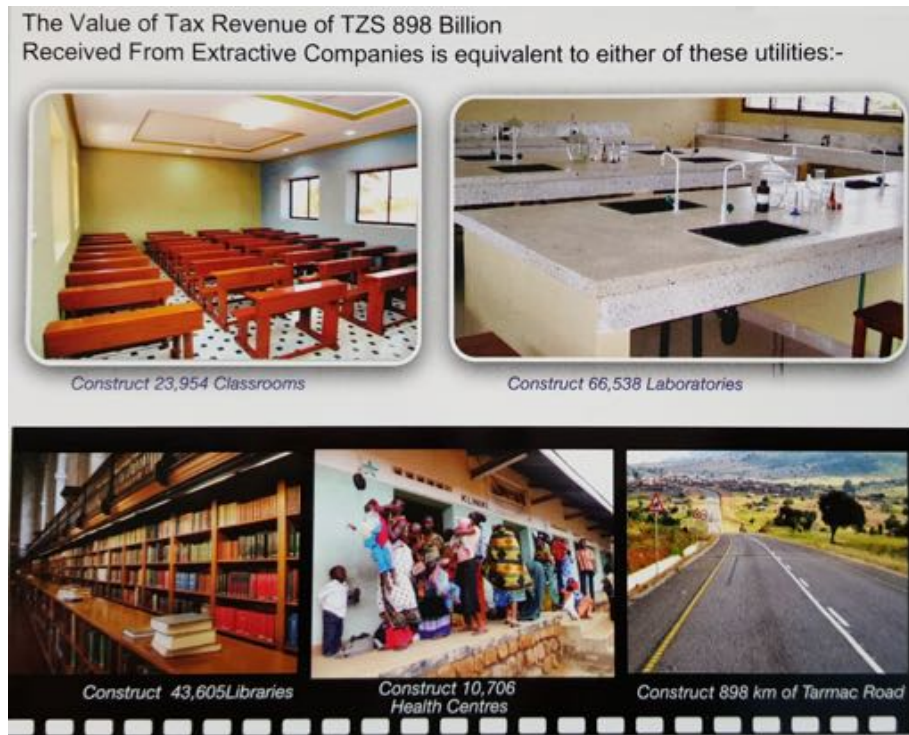
**Table 1-1-Summary of Financial Flows**

	Table Ref	2009	2010	2011	Grand Total
		494 '000	494 '000	494 '000	494 '000
<b>Sales of Crude Oil and Gas</b>					
Export Crude	5.1	16,114,031	17,083,363	16,763,841	50,061,235
Domestic Crude	5.1	9,969,033	13,238,942	10,363,130	43,491,105
Gas	5.1	471,397	454,294	433,077	1,358,768
Port Stock	5.1	473,232	1,550,243	1,825,617	3,849,092
<b>Sales of Crude Oil and Gas</b>		<b>27,027,693</b>	<b>32,326,842</b>	<b>29,385,665</b>	<b>88,740,199</b>
<b>Local PWT to Wind Payments</b>					
Production Share Tax (PST)	6.2	2,014,787	3,061,001	3,232,974	8,308,762
Royalty (PWT)	6.2	127,354	205,411	201,411	534,176
<b>PWT to Wind Payments</b>		<b>2,142,141</b>	<b>3,266,412</b>	<b>3,434,385</b>	<b>8,843,323</b>
<b>Sub-Total A</b>		<b>29,169,834</b>	<b>35,593,254</b>	<b>32,820,050</b>	<b>97,583,138</b>
<b>Other Specific Financial Flows</b>					
Production Share Tax (PST)	6.2	1,296,500	3,306,100	10,763,000	15,365,600
Royalty (PST)	6.2	1,276,400	1,883,633	2,041,946	5,401,979
Royalty Gas	6.2	30,034	75,127	60,076	165,237
Signature Bonus	6.1.1	1,000	0	114,140	115,140
Gas Lifting Penalties	6.7	15,400	17,871	22,487	55,758
Concession Penalties	6.8	1,446	1,171	2,223	4,840
<b>Total Confirmed Flows</b>		<b>32,852,272</b>	<b>40,666,987</b>	<b>45,919,882</b>	<b>119,439,141</b>
<b>Other Flows to Reconciliation Account</b>					
Corporate Income Tax (CIT)	6.1.4	136,147	307,996	275,481	719,624
Value Added Tax	6.1.5	1,395,240	1,022,232	1,007,025	3,424,497
<b>Total of Other Flows to Reconciliation Account</b>		<b>1,531,387</b>	<b>1,330,228</b>	<b>1,282,506</b>	<b>4,144,120</b>
<b>Sub-Total B</b>		<b>34,384,259</b>	<b>42,000,215</b>	<b>47,202,388</b>	<b>123,586,862</b>
<b>Total Flows to the Reconciliation Account (A+B)</b>					
		<b>37,154,091</b>	<b>42,896,482</b>	<b>47,192,468</b>	<b>127,243,030</b>
<b>Other Flows</b>					
Provision & Reimbursement of Loans by NNPC	6.1.6	479,000	1,477,117	1,037,700	3,003,817
PAIS	6.1.7	81,117	81,117	15,710	177,944
Wholesaling Fee	6.1.8	107,543	104,141	111,000	322,684
<b>Total Other Flows</b>		<b>667,660</b>	<b>1,662,375</b>	<b>1,264,410</b>	<b>4,035,255</b>
<b>Flows to States</b>					
Wholesaling Taxes	6.2.1	10,314	12,771	11,042	34,127
PAIS	6.2.2	47,750	47,314	56,001	151,065
<b>Total Flows to States</b>		<b>58,064</b>	<b>60,085</b>	<b>67,043</b>	<b>185,195</b>
<b>Flows to other Entities</b>					
Contribution to NNPC	6.1.9	396,414	51,136	50,710	508,260
Education Tax	6.2.3	436,244	407,107	331,033	1,174,384
<b>Total Flows to other Entities</b>		<b>832,658</b>	<b>958,243</b>	<b>881,743</b>	<b>2,672,644</b>
<b>Grand Total</b>		<b>38,074,908</b>	<b>44,944,000</b>	<b>68,442,209</b>	<b>151,460,917</b>

**Note 1:**  
 In kind payments represent total revenues collected the PWT and royalty by crude oil lifted by NNPC on PWT arrangements. This is also deducted from total crude oil sales as it is also reported in PWT and Royalty.

**Note 2:**  
 The reduction of CIT in 2011 is due to the timing difference in payment of CIT (paid in July 2012) by one of the covered entities.

The Tanzania 2012-2013 Summary EITI Report contextualises the value of the revenue from the extractive sector by showing what it is equivalent to in terms of public services such as classrooms and health centres.

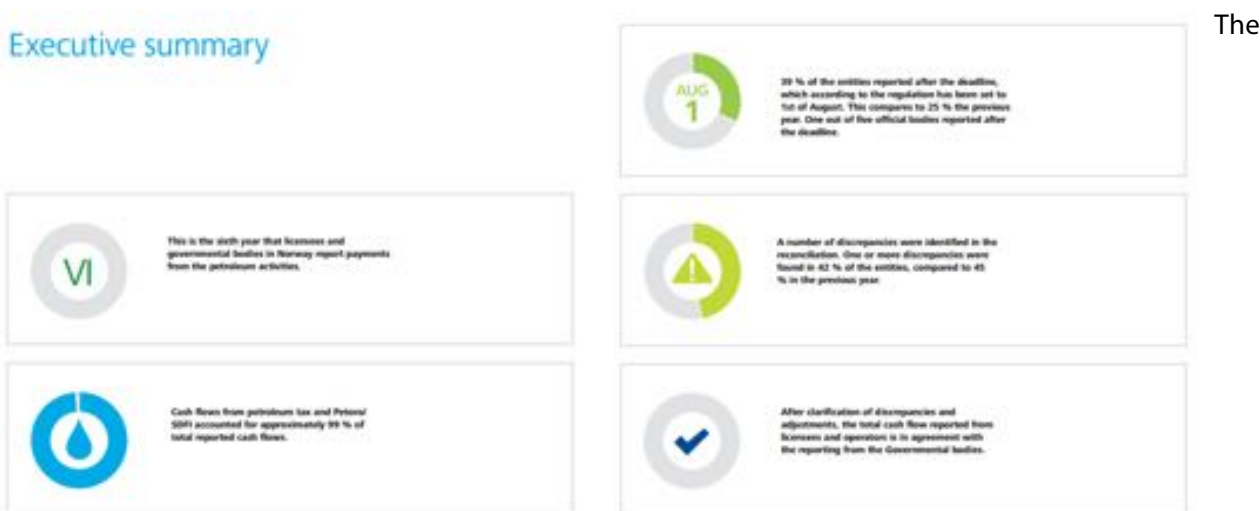


**Source:** Page 4, Tanzania 2012-13 EITI Summary Report



**Good practice 4: Visualisation of figures and the reconciliation process**

The summary for the [2013 EITI Report in Norway](#) includes a brief explanation of the reconciliation process with visuals. In few lines and in a very interactive manner, the summary text indicates the amount of companies that reported according to the established deadline in the Norwegian EITI Law, level of discrepancies, if the discrepancies were resolved and contextualized the financial flows. **Source:** Page 5, executive summary of the [2013 EITI Report in Norway](#)



[2013 Nigeria EITI Simplified](#) Report also provides a summary of the report findings, including total production and revenue figures and gaps identified in government systems, with accompanying visualisations.



**Source:** Page 1, [2013 Nigeria EITI Simplified Report](#)

### Good practice 5: Making summaries of report findings accessible online

In addition to producing an [Executive Summary to the EITI 2015 Report](#), the United States also published information from the report, including maps, charts and cases studies on their website to make the information more easily accessible.

About /

## Executive Summary

As part of fulfilling the international [EITI Standard](#), the [Independent Administrator](#) worked with the [Stakeholder Group](#) to develop an Executive Summary of the [USEITI 2015 Report](#).

This document, which you can download below, includes a contextual narrative and an account of the reporting and process for the EITI Standard in the U.S.

However, many parts of the report are primarily available site to:

- [See maps and charts](#) of extractive industries data.
- Read [12 case studies](#) about how extractive industries impact specific counties.
- [Download data](#) and view data documentation.

**Source:** Unites States EITI website, <https://useiti.doi.gov/about/report/>

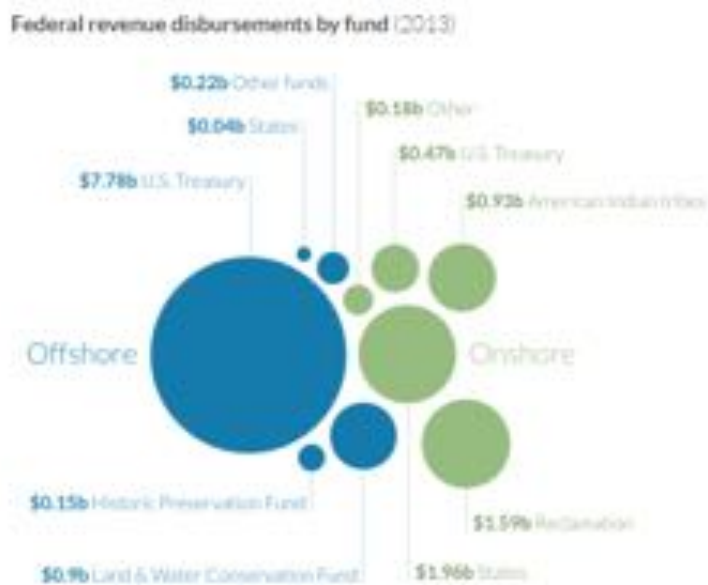
Explore data /

## Disbursements

Once collected, the federal government distributes revenue from natural resource extraction for public use in a variety of ways.

Federal corporate income taxes go to the General Fund of the Treasury, and Congress determines how to allocate these resources each year through the appropriations process.

Other revenue from extraction on federal lands goes to many different funds and entities. In fiscal year (FY) 2013, ONRR disbursed \$14.187 billion in DOI revenue. The recipient of these funds depends on whether the revenue is from onshore or offshore extraction.



### Good practice 6: Using media tools to summarise the EITI Report

Ukraine EITI created a video to explain the main findings of their 2013 EITI Report.



Source: Ukraine EITI, <https://www.youtube.com/watch?v=ku3dIsDYKWw>

For their 2014 EITI Report, Kazakhstan made a PowerPoint presentation with visualisations and key figures from the report, and made it available through a free web tool which makes it possible to view the presentation online.



**Source:** Kazakhstan EITI, <http://www.slideshare.net/geologykz/2014-c-54764405>