Board decision on the Validation of Senegal

Decision reference: 2018-23/BC-249
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The Board's decision

Following the conclusion of Senegal’s Validation, the EITI Board decided that Senegal has made satisfactory progress overall in implementing the EITI Standard.

The Board congratulates the Government of Senegal and the Multi-Stakeholder Group (MSG) on the progress made in improving transparency and accountability in the extractive industries, and for using the process to drive government reforms and generate a vibrant public debate on the nascent extractives sector. Senegal has made swift progress in its four years of EITI implementation, which have led to tangible impacts through government reforms and host communities’ greater awareness of their rights and entitlements. Validation has confirmed that Senegal has used the EITI to support reforms in oversight of the extractive industries and public financial management.

The Board recognises Senegal’s efforts to go beyond the requirements of the EITI Standard in areas of contract transparency, social expenditures, following up on recommendations and impacting public debate. The MSG has proved adept at balancing interests between equal partners and proactive in its dissemination, outreach and assessment of impact. The Board also takes note of Senegal’s exemplary work in publishing extractives contracts. The Board encourages the government to deepen the EITI’s contribution in enhancing extractives licence management, transparency of state-owned enterprises, beneficial ownership disclosure, and comprehensiveness and reliability of production figures. The Board welcomes the government’s commitment to entrench an enabling environment for EITI implementation in sector policies and legislations, and encourages the MSG’s efforts to move towards systematic disclosures of EITI data through government and company systems.

In making its decision, the Board takes special note of the Government of Senegal’s efforts to ensure accessible, regular disclosure of information on the sector to its citizens, not least through the Senegal EITI website.

The Board has determined that Senegal will have three years, i.e. until 8 May 2021 before a re-Validation under the EITI Standard.

The Board’s decision followed a Validation that commenced on 1 July 2017. In accordance with the 2016 EITI Standard, an initial assessment was undertaken by the International Secretariat. The findings were reviewed by an Independent Validator, who submitted a draft Validation report to the MSG for comment. The MSG’s comments on the report were taken into consideration by the independent Validator in finalising the Validation report and the independent Validator responded to the MSG’s comments. The final decision was taken by the EITI Board.

Background

The Government of Senegal committed to implement the EITI on 2 February 2012 and enacted Prime Ministerial Decree 2013-881 in June 2013 establishing the National EITI Committee. Senegal was accepted as an EITI candidate in October 2013 at the EITI Board’s meeting in Abidjan.

The Validation process commenced on 1 July 2017. In accordance with the Validation procedures, an initial assessment [English | French] was prepared by the International Secretariat. The Independent Validator reviewed the findings and wrote a draft Validation report [English | French]. Comments
from the MSG [English | French] were received on 3 February 2018. The MSG considered that Senegal had addressed the two corrective actions and provided supporting evidence. The Independent Validator reviewed the comments and responded to the MSG, before finalising the Validation report [English | French].

The Validation Committee reviewed the case on 26 January 2018 and presented a paper for discussion at the Board’s 39th meeting in Oslo on 13 February 2018. Following receipt of MSG comments and finalisation of the Validation report, the Validation Committee reviewed the case again on 26 March 2018. Based on the findings above, the Validation Committee agreed to recommend the assessment card and corrective actions outlined below.

The Committee also agreed to recommend an overall assessment of “satisfactory progress” in implementing the 2016 EITI Standard. Requirement 8.3.b of the EITI Standard states that:

**b) Consequences of compliance**

Where Validation verifies that a country has made satisfactory progress on all of the requirements, the EITI Board will designate that country as EITI Compliant.

EITI Compliant countries must maintain adherence to the EITI Principles and Requirements in order to retain Compliant status. Where a country has become EITI Compliant, but concerns are raised about whether its implementation of the EITI has subsequently fallen below the required standard, the EITI Board reserves the right to require the country to undergo a new Validation. Stakeholders may petition the EITI Board if they consider that Compliant status should be reviewed. This request may be mediated through a stakeholder’s constituency representative(s) on the EITI Board. The EITI Board will review the situation and exercise its discretion as to whether to require an earlier Validation or Secretariat Review. Subject to the findings of that assessment, the EITI Board will determine the country’s status.

Where a Compliant country is being re-validated and validation concludes that the country has not met all EITI requirements, the consequences set out in (c) below apply.

In accordance with Requirement 8.3.d.i, Senegal will be revalidated in three years:

**d) Timeframes for achieving compliance.**

(i) EITI Candidate countries are required to commence the first Validation within two and a half years of becoming an EITI Candidate. EITI Compliant countries are required to be re-validated every three years. In accordance with provision 8.5, a country may request an extension of this timeframe. A country may also request to commence Validation earlier than scheduled by the EITI Board.

**Scorecard**
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<td>Government engagement (#1.1)</td>
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<td>Industry engagement (#1.2)</td>
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<td>Civil society engagement (#1.3)</td>
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<td><strong>Revenue allocation</strong></td>
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## EITI Requirements

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<td>No Progress</td>
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<td>Mandatory social expenditures (#6.1)</td>
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<td>Outcomes and impact of implementation (#7.4)</td>
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### No progress. All or nearly all aspects of the requirement remain outstanding and the broader objective of the requirement is not fulfilled.

### Inadequate progress. Significant aspects of the requirement have not been implemented and the broader objective of the requirement is far from fulfilled.

### Meaningful progress. Significant aspects of the requirement have been implemented and the broader objective of the requirement is being fulfilled.

### Satisfactory progress. All aspects of the requirement have been implemented and the broader objective of the requirement has been fulfilled.

### Beyond. The country has gone beyond the requirements.

### This requirement is only encouraged or recommended and should not be taken into account in assessing compliance.

### The MSG has demonstrated that this requirement is not applicable in the country.

## News

**Senegal declared first country in Africa to have made satisfactory progress in implementing the EITI Standard**

*The Board welcomed Senegal’s fast pace and innovative EITI implementation*

**8 May 2018** - The international EITI Board today welcomed Senegal’s progress in using the EITI to drive government reforms and generate a vibrant public debate on the nascent extractives sector. The Board concluded that the country had made satisfactory progress in meeting EITI requirements,
making Senegal the first country in Africa and the fourth EITI implementing country to reach this level of progress.

Fredrik Reinfeldt, Chair of the EITI, said:

“The progress achieved by Senegal, is impressive. I congratulate the government and all stakeholders and encourage them to make Senegal a pioneer in systematic and regular disclosure of data about the extractives sector. Strengthening government systems and accountability mechanisms, and managing expectations, will be key as the country joins the club of oil and gas producers in the coming years.”

Swift progress since Senegal started implementing the EITI in 2013

Senegal published its 2015 and 2016 EITI Reports on 16 October 2017, making its EITI reporting the most up-to-date in Africa.

The Board noted that Senegal had made swift progress in its five years of EITI implementation. Validation confirmed that Senegal has used the EITI to support reforms in the oversight of the extractive industries and public financial management.

Aissatou Sophie Gladima, Minister of Mines and Geology, noted: “In the five years since our country started implementing the EITI Standard we have published four EITI Reports. Our oil, mining and gas sectors are growing and the EITI has been very well accepted by all stakeholders in Senegal. Government gives it particular weight since it has strengthened access to information and the dialogue between stakeholders through actively promoted public debate.”

The Board recognised Senegal’s efforts to go beyond the requirements of the EITI Standard in areas of contract transparency, social expenditures, following up on recommendations and impacting public debate. The Board also took special note of the Senegal’s endeavours to ensure accessible, regular disclosure of information on the sector to its citizens, not least through the Senegal EITI website.

Ibrahima Sory Diallo, President of the Publish What You Pay (PWYP), and member of PWYP’s Global Council said: “The progress made in implementing the EITI Standard reflects the major efforts all actors have consented to strengthen transparency and economic governance. Civil society organisations are happy to contribute to our country benefits from these efforts.”

- View the full decision including the scorecard and supporting documentation

Abdou Aziz Sy, President of the Chamber of Mines of Senegal said: “This result is by no means a miracle. It’s the result of a remarkable amount of work by all stakeholders in our ongoing strive for transparency and accountability in the management and governance of our natural resources. This calls for congratulations to the national committee and all those who have contributed to this achievement. We are both happy and proud.”
Moving beyond EITI requirements ahead of next Validation

While the Government of Senegal has taken steps to address all the requirements of the EITI Standard, the Board encouraged the government to deepen the EITI’s contribution in enhancing extractives licence management, beneficial ownership transparency, transparency of state-owned enterprises, and comprehensiveness and reliability of production figures.

Mansour Elimane Kane, Minister of Petroleum, said: “Senegal is preparing for the future. Senegal’s constitution was revised by referendum in March 2016 in order to enshrine the principles of transparency and the common ownership of natural resource wealth by all citizens. The petroleum code is being revised at the moment in order to improve the licensing mechanism and reflect best practice, as outlined in the EITI Standard”.

The Board welcomed the government’s commitment to entrench an enabling environment for EITI implementation in sector policies and legislations, and encouraged the MSG’s efforts to move towards systematic and regular disclosures of EITI data through government and company systems in the coming years.

Full text of the Board decision

On 8 May 2018, the EITI Board came to the following decision on Senegal’s status:

Following the conclusion of Senegal’s Validation, the EITI Board decides that Senegal has made satisfactory progress overall in implementing the EITI Standard.

The Board congratulates the Government of Senegal and the Multi-Stakeholder Group (MSG) on the progress made in improving transparency and accountability in the extractive industries, and for using the process to drive government reforms and generate a vibrant public debate on the nascent extractives sector. Senegal has made swift progress in its four years of EITI implementation, which have led to tangible impacts through government reforms and host communities’ greater awareness of their rights and entitlements. Validation has confirmed that Senegal has used the EITI to support reforms in oversight of the extractive industries and public financial management.

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In making its decision, the Board takes special note of the Government of Senegal’s efforts to ensure accessible, regular disclosure of information on the sector to its citizens, not least through the Senegal EITI website http://itie.sn/.
The Board has determined that Senegal will have three years, i.e. until 8 May 2021 before a re-Validation under the EITI Standard.

The Board’s decision followed a Validation that commenced on 1 July 2017. In accordance with the 2016 EITI Standard, an initial assessment was undertaken by the International Secretariat. The findings were reviewed by an Independent Validator, who submitted a draft Validation report to the MSG for comment. The MSG’s comments on the report were taken into consideration by the independent Validator in finalising the Validation report and the independent Validator responded to the MSG’s comments. The final decision was taken by the EITI Board.

Notes

- **Validation** is the EITI’s independent evaluation mechanism. It assesses countries against progress made in meeting the 2016 Standard.
- The **Board decision** in full, including corrective actions and impact of the EITI in the country, can be found here: [eiti.org/BD/2018-23](http://eiti.org/BD/2018-23)
- The reports giving an extensive review of Senegal’s extractive sector can be found here: [eiti.org/document/senegal-validation-2017](http://eiti.org/document/senegal-validation-2017)
- The Board has taken decisions on the status of Senegal on 8 May 2018: [eiti.org/document/validation-schedule-decisions](http://eiti.org/document/validation-schedule-decisions)
- See [here](http://eiti.org/document/validation-schedule-decisions) for a full explanation of the various levels of progress under the EITI Standard.
- For further information about the EITI in Senegal, please visit the country page on the EITI website and the [Senegal EITI website](http://eiti.org/document/validation-schedule-decisions).
- The EITI’s 41st Board meeting will be held in Dakar on 30-31 October 2018.