

EITI Reports in Senegal: Systematic Disclosure Approach

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Background

Senegal has already published eight (8) EITI reports covering the years 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020 respectively.


This year's report, which will cover the period from 1 January to 31 December 2021, will be Senegal's ninth report since joining the EITI. The Independent Administrator for the preparation of the EITI Report covering the year 2021, will be selected between April and June.

It has been submitted to the MSG to join the international EITI pilot project to cover the year 2022 at least in part (1 January to 30 June 2022).



Background

- EITI Multi-Stakeholder Groups (MSGs) oversee EITI implementation and disclosures. When data are disclosed on a regular basis, MSGs can maintain close oversight of the extractive sector by focusing their attention both on gaps appearing in government and corporate reporting systems and on issues that matter most to stakeholders.
- The transition to systematic data disclosure can allow MSGs to focus on data analysis, dialogue with policymakers, and sharing key sector information in an accessible format for further analysis.



Implementation of
the integrated
disclosure project



Initiative pour la Transparence dans
les Industries Extractives du Sénégal



Project implementation

At the end of the Feasibility Study in 2019, the Consultant had made the following recommendations to the EITI-NC of Senegal:

1. Set up a data platform that collects information from different institutions without compromising the operation of existing systems;
2. Deploy a data submission module that will be connected to the above mentioned platform;
3. In consultation with the competent administrations, adopt the nomenclatures suggested by the Study for better traceability of the allocation of extractive revenues;
4. Initiate discussions with a view to drafting a data exchange protocol between the different parties.

Project implementation

The systematic disclosure project was first tested by the Treasury. Once the collection system is better identified and the public accountants made aware, reporting becomes easier.

1- THE INPUT SCREENS



The screenshot displays the Aster 5 software interface. On the left, a tree view shows the menu structure under 'Aster 5'. The 'ITE' menu item is highlighted in blue. The main area on the right features three buttons: 'Développer tout', 'Restreindre tout', and 'Quitter'. Below these buttons, the text 'ASTER 5' is displayed in a teal font, followed by the French coat of arms. To the right of the coat of arms is a large circular logo for 'TRÉSOR PUBLIC' with a gold border and a rainbow stripe. Below the logo, the text reads: 'MINISTÈRE DE L'ÉCONOMIE, DES FINANCES ET DU PLAN' and 'DIRECTION GÉNÉRALE DE LA COMPTABILITÉ PUBLIQUE ET DU TRÉSOR'. At the bottom of the interface, three small boxes contain the identifiers 'MFSECK_19', 'U800_010F_MENU', and '2018'.

- Aster 5
 - Administration technique et fonctionnelle
 - CAD
 - CAR
 - CGE
 - Cloture gestion
 - Contexte / Exploitation
 - Etats statistiques
 - ITE**
 - Situation des encaissements ITIE par nature
 - Situation des enaissements ITIE par poste
 - Situation des encaissements ITIE par régie
 - Saisie recettes ITIE
 - MES
 - Paramétrage
 - Règlement
 - Restitution
 - SICA-STAR
 - Suivi interface
 - Tiers
- Interface

Développer tout

Restreindre tout

Quitter

ASTER 5

TRÉSOR PUBLIC

MINISTÈRE DE L'ÉCONOMIE, DES FINANCES ET DU PLAN
DIRECTION GÉNÉRALE DE LA COMPTABILITÉ PUBLIQUE ET DU TRÉSOR

MFSECK_19 U800_010F_MENU 2018

Project implementation

The screenshot displays the Aster 5 software interface. On the left, a tree view shows the following menu items: Administration technique et fonctionnelle, CAD, CAR, CGE, Cloture gestion, Contexte / Exploitation, Etats statistiques, and ITIE. The ITIE item is highlighted with a blue box. Under ITIE, there are four sub-items: Situation des encaissements ITIE par nature, Situation des encaissements ITIE par poste, Situation des encaissements ITIE par régie, and Saisie recettes ITIE. A red bracket groups these four sub-items. On the right side of the interface, there are three buttons: Développer tout, Restreindre tout, and Quitter. At the bottom right, the text 'ASTER 5' is displayed in a large, teal font. A red arrow points from a blue box labeled 'BALANCES' to the sub-items under ITIE.

BALANCES

The user (Public Accountant) will only be able to access the module after being authenticated in the normal way in ASTER (Treasury Information System).

Project implementation

Measures concerning public accountants for the identification of revenue

Compliance with / strict application of circular n°030/MFB/DGCPT/DCP/DRC dated 17 April 2019 intended for services collecting revenues from the extractive sectors (CGE, DMG, AIBD collectors, Dakar Port), so that they provide more detailed information on the admissibility documents produced for the payments received.

Saisie des natures de recettes ITIE

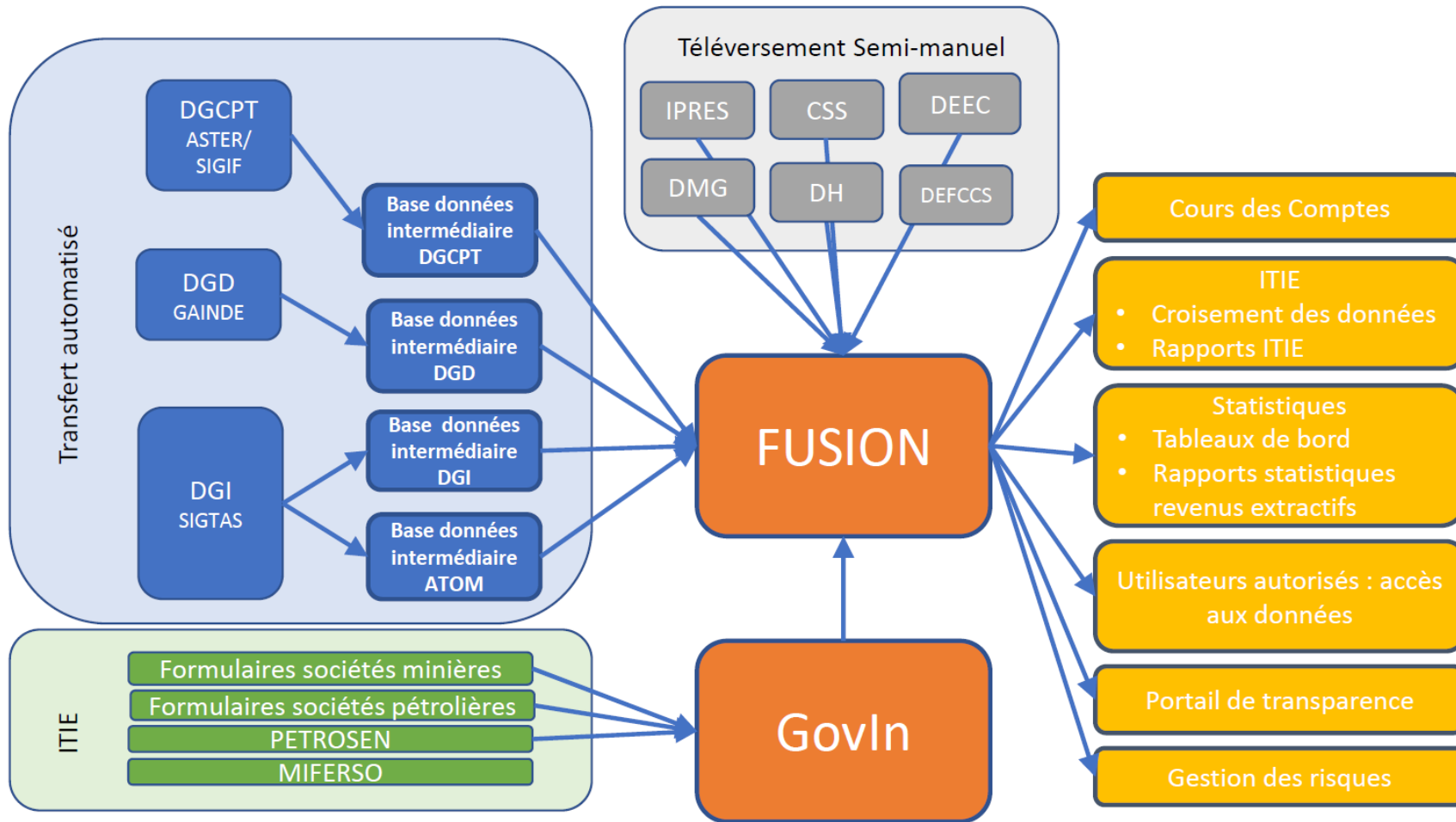
Poste Comptable:	<input type="text" value="53"/>	<input type="text" value="TPR DE TAMBACOUNDA"/>	CORRESPONDING BALANCE
Beneficiaire:	<input type="text" value="ETAT"/>		
Entité:	<input type="text" value="DGCPT"/>	Secteur: <input type="text" value="MINES ET CARRIERES"/>	DGD DGID DMG
Nature Recette:	<input type="text" value="3923.01.1.3.1"/>	<input type="text" value="PATENTE"/>	
Date Encaissement:	<input type="text"/>	Montant Recette: <input type="text"/>	
Mode Règlement:	<input type="text" value="CHEQUE"/>		
Partie Versante:	<input type="text"/>		

Project implementation



MINISTÈRE DES FINANCES ET DU BUDGET

- + Direction générale de la Comptabilité publique et du Trésor (DGCPT)
- + Direction générale des Impôts et des Domaines (DGID)
- + Direction générale des Douanes (DGD)
- + Direction générale du Budget (DGB)



Measures concerning public accountants

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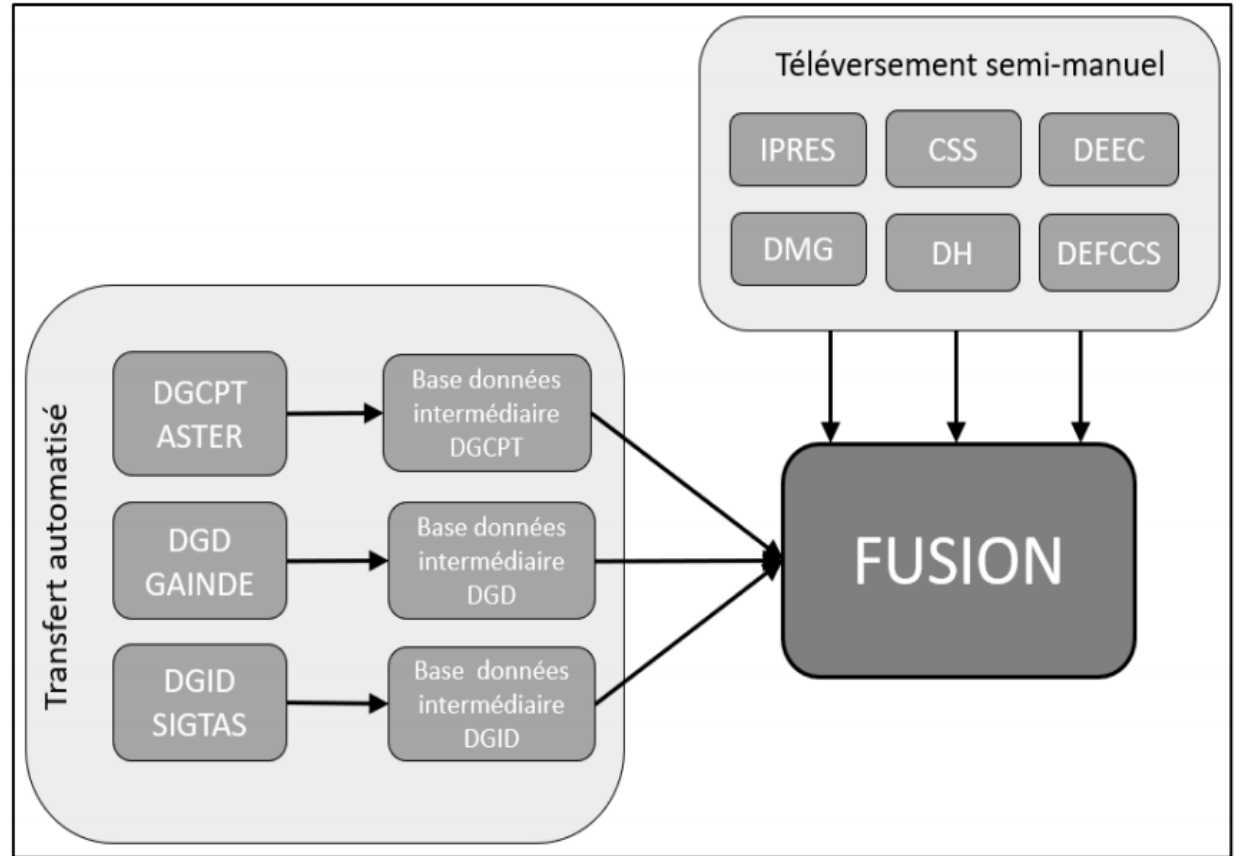
Project implementation

Automatic transfer

Treasury - DGCPT - ASTER System
Customs - DGD - ASTER System
Taxes - DGID - ASTER System

Semi-manual transfer

Hydrocarbons - DH: monthly
Mines - DMG: quarterly
Pension provision - IPRES:
quarterly
Social security - CSS: quarterly
Environment - DEEC: quarterly
Waters & Forests - DEFCCS: quarterly





Project implementation

The amounts declared at the level of the FUSION platform are as follows:

Financial management data downloaded on 3 April 2022 from FUSION	
Agencies	Total amount (in FCFA)
DGID (Taxes)	143,162,132,709.00
DGD (Customs)	2,836,801.00
DGCPT (Treasury)	9,188,271,065.00
TOTAL (in FCFA)	152,353,240,575.00

Project implementation

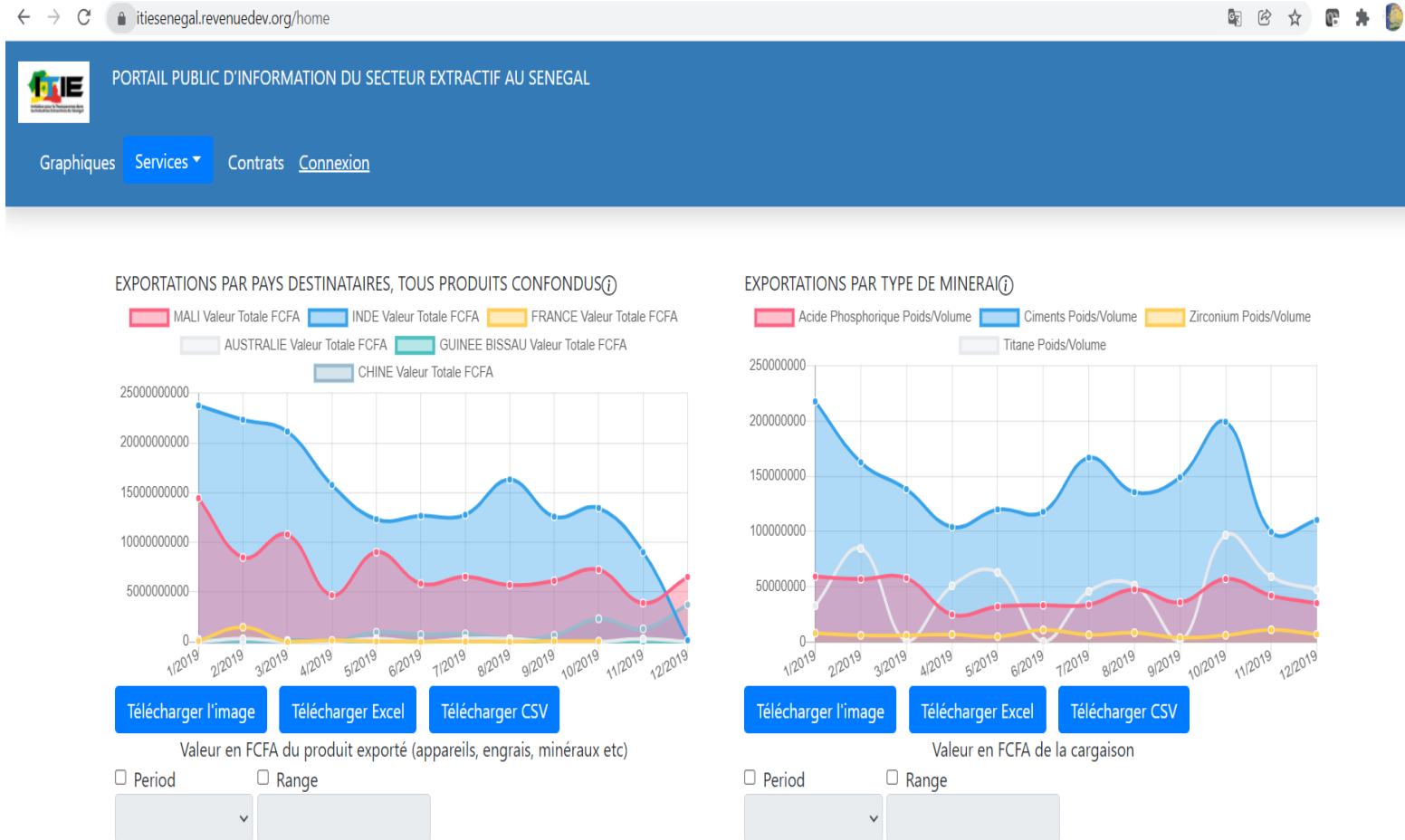
Strengthening access to information

Public portals

<https://itiesenegal.revenuedev.org>

Open Data EITI Senegal – Open Information System of the EITI Senegal National Committee

<https://donnees.itie.sn>



Project implementation

A portal for companies

Companies record in GovIn the information they previously reported in the EITI forms in Excel format. GovIn is therefore a sort of bank of EITI reportings for the current and previous years.

Some data are entered in GovIn by companies in forms or record cards. Others must be uploaded as Excel files. Below is the list of forms and their method of information.



The screenshot shows the login interface for the 'GovIn' system. At the top center is the logo for 'ITIE' (Initiative pour la Transparence dans les Industries Extractives du Sénégal), which features a stylized map of Senegal in green, yellow, and red, with a blue star on a yellow background. Below the logo, the text reads 'GovIn – Système de télédéclaration des formulaires ITIE'. There are two input fields: 'Nom d'utilisateur' (Username) and 'Mot de passe' (Password). A dark blue button labeled 'Connexion' (Login) is positioned at the bottom center.



Project implementation

Description of data

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Form	Completion method
Identification record	GovIn form
Economic contribution	GovIn form
Reporting form	GovIn form
Detail of payments	Upload Excel file
Production	Upload Excel file
Exports and Sales	Upload Excel file
Capital structure	GovIn form
Beneficial owners	GovIn form
Social and environmental payments	Upload Excel file
Barter transactions / integrated projects	GovIn form
Loans and Subsidies	GovIn form
Allocation and Transfer Procedures	GovIn form
Purchase and Sale of Commodities	Upload Excel file
Public Participation	GovIn form
Quasi-Fiscal Expenditures	GovIn form
Final Attestation / Signature	Upload Excel file



Data analyses

Legal framework and tax regime applicable to extractive industries (EITI Requirement 2.1) <http://www.energie.gouv.sn/decrets-et-lois/> <https://minesgeologie.gouv.sn/node/59>

- Overview of the extractive sector, including any significant exploration activities

(EITI Requirement 3.1) <https://minesgeologie.sec.gouv.sn/directions> <https://www.sec.gouv.sn/> www.finances.gouv.sn

- Information on the contribution of the extractive industries to the economy for [fiscal year] (EITI Requirement 6.3)

- Production and export data (EITI Requirements 3.2 & 3.3) <http://dpee.sn/-Tableaux-de-bord-.html?lang=fr>

https://www.ansd.sn/index.php?option=com_ansd&view=titrepublication&id=11&Itemid=304

- Where relevant, information on the role of SOEs in the extractive sector and on the financial relations between the government and SOEs, on quasi-fiscal expenditures, on the participation of the State in oil, gas and mining companies operating in [country] (EITI Requirement 2.6)

<https://itie.sn/entreprises-detat/>

- Information on the allocation and distribution of revenues (EITI Requirements 3.7 and 3.8)

- Availability and completeness of a public registry of licenses and information regarding licensing

processes and procedures <https://cadastre-petrolier.senegal.revenuedev.org/dashboard>

<https://portals.landfolio.com/Senegal/fr/>

- Policy and practices of [country] on disclosure of contracts and licenses governing <https://minesgeologie.gouv.sn/node/74> oil, gas and mining exploration and exploitation activities, and any ongoing reforms in <https://www.energie.gouv.sn/contrats/> this area (Requirement 2.4)

- Revenue flows required to be disclosed (EITI Requirements 4.1 and 4.2). The analysis should cover:

- Taxes and other revenue flows (4.1 (b))
- All revenues from sales of the State's production shares and other revenues received in kind (4.1 (c))
- All revenues related to infrastructure provisions and barter agreements (4.1 (d)); Contracts
- All mandatory and voluntary social expenditures incurred by extractive companies (4.1 (e))
- All revenues related to transportation payments (4.1 (f))
- All revenues received by subnational governments from oil, gas and mining companies (4.2 (d))
- All transfers of extractive revenues between national and subnational public entities (4.2 (e))

Through FUSION and GovIn

Data analyses

Analysing data upstream often allows a good understanding of the figures of the EITI Report (e.g. monitoring on the EITI website of gold prices)

- The price of gold is down compared to 2020 but remained as glittery in 2021 with an average of \$1800/oz.
- As a reminder, the reference price for Sabodala-Massawa gold deposits (gold mines in Senegal) is \$1600/oz.

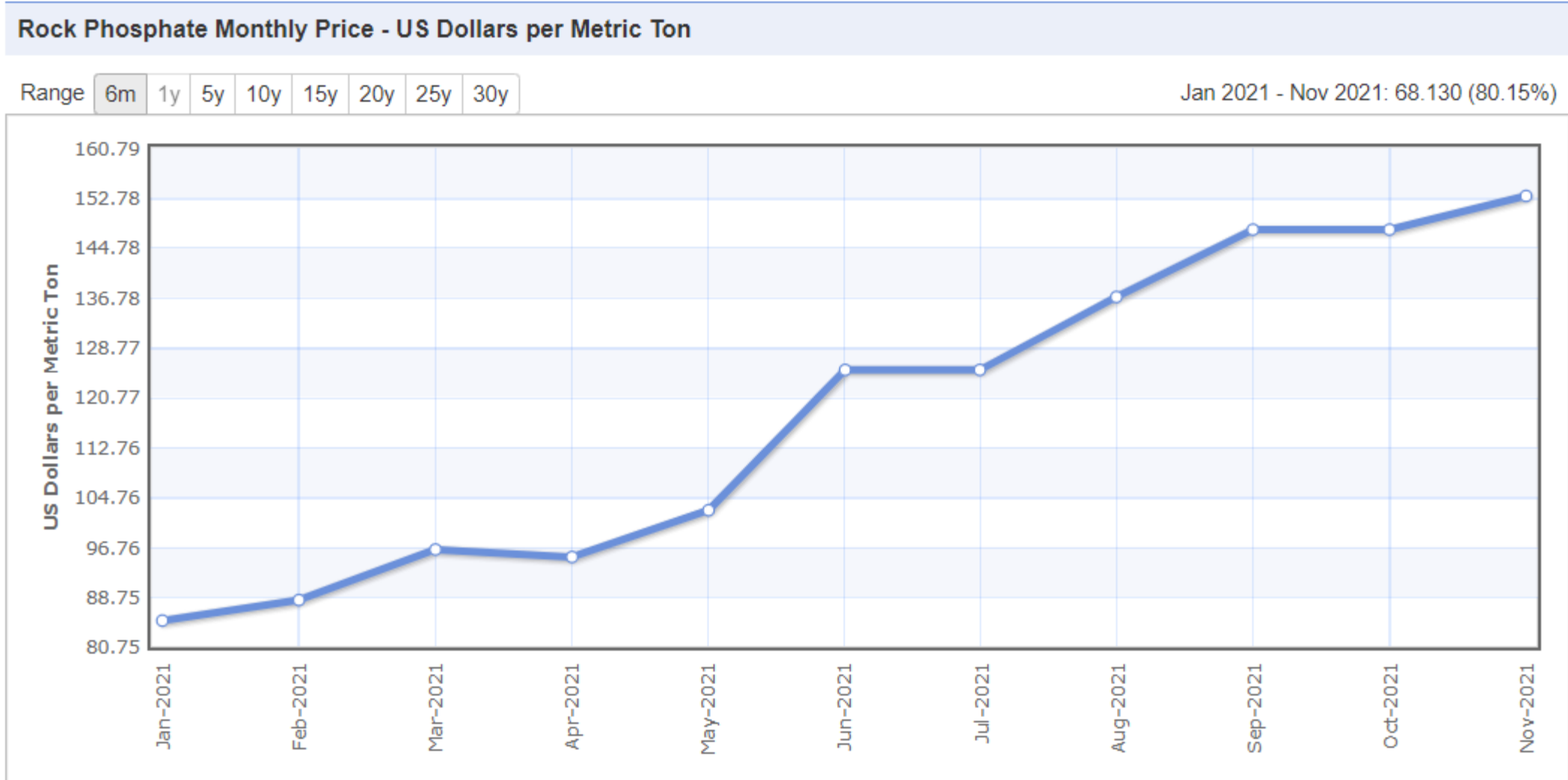
Top 10 producers in 2021: 1. China: 370t, 2. Australia: 330t; 3. Russia: 300t, 4. USA: 180t, 5. Canada: 170t, 6. Ghana: 130t, 7. Mexico, South Africa, Uzbekistan and Kazakhstan: 100t, 8. Indonesia, Peru and Sudan: 90t, 9. Brazil: 85t, 10. Argentina and Guinea: 70t.





Data analyses

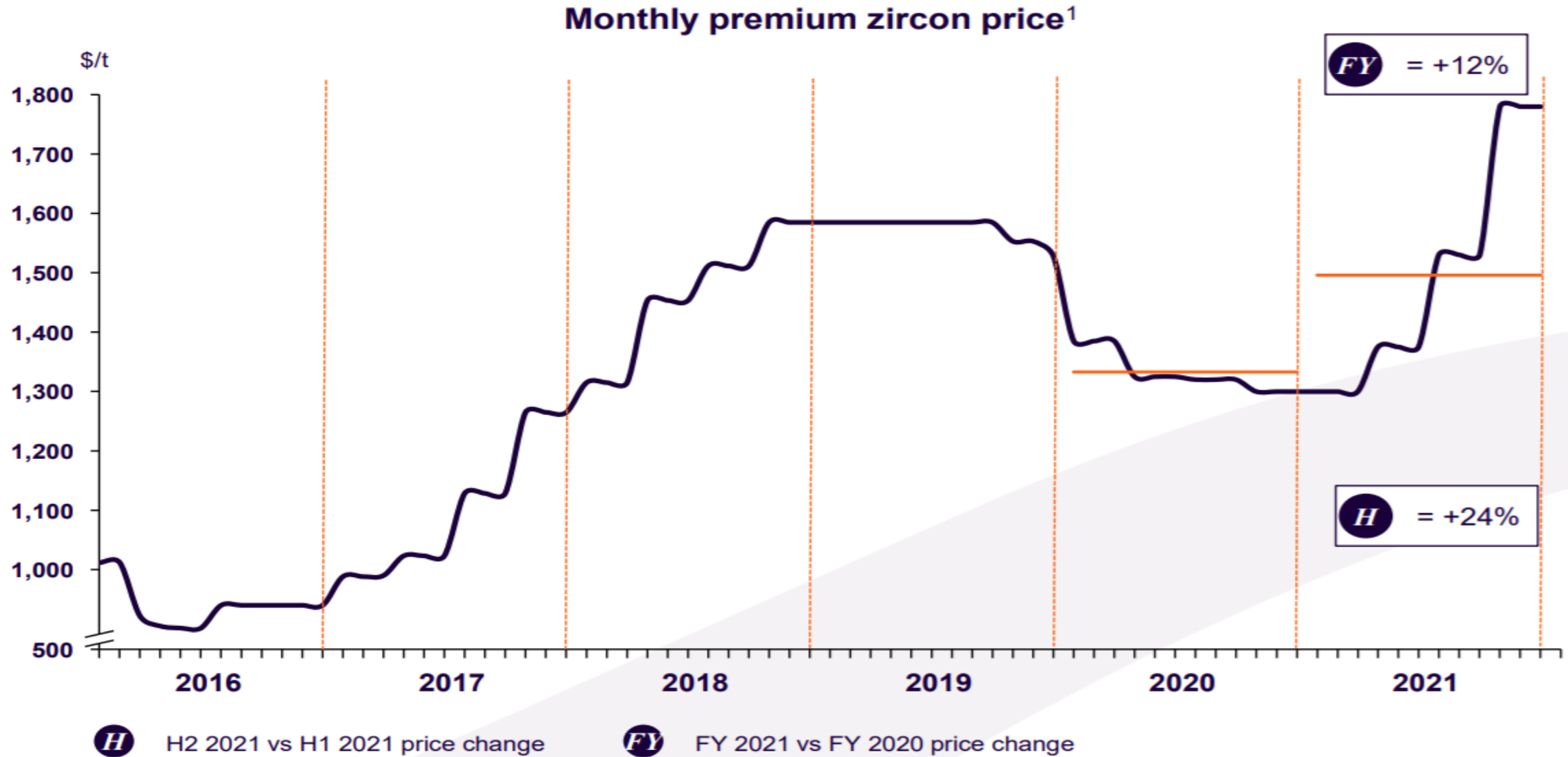
Analysing data upstream often allows a good understanding of the figures of the EITI Report (e.g. monitoring on the EITI website of phosphate prices)





Data analyses

Analysing data upstream often allows a good understanding of the figures of the EITI Report (e.g. monitoring on the EITI website of Premium Zircon prices)



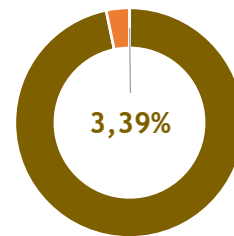


Data analyses

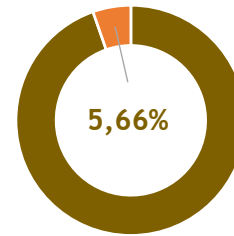
Based on data reported by public entities, after reconciliation work, the total revenues generated by the extractive sector for the year 2020 amounted to 185.20 billion FCFA (USD 322.24 million), of which 167.75 billion allocated to the State budget (compared to 147.6 billion in 2019).

The overall contribution of the sector to the economy over the period 2019-2020 is as follows:

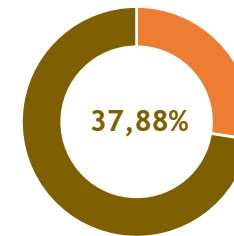
Extractive statistics	2020	2019
GDP	3.39%	3.52%
Revenues	5.66%	5.30%
Export	37.88%	39.84%
Employment	0.22%	0.19%



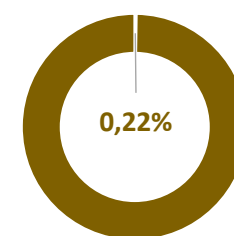
Contribution du secteur extractif dans le PIB



Contribution du secteur extractif dans les recettes de l'Etat



Contribution du secteur extractif dans les exportations



Contribution du secteur extractif dans l'emploi

In the same way as in previous years, the analysis of the contribution shows that the weight of the extractive sector is above all perceptible through its positive effect on the balance of payments, while its contribution to GDP or employment remains marginal.

At present, the Senegalese extractive sector is essentially composed of mining and quarrying operations (gold, phosphates, mineralized sands and limestone for cement production). As a result, the potential for job creation is limited. In addition, the sector's low contribution to GDP indicates a lack of on-site processing of mining products into higher-value end products and of strengthening inter-sectoral linkages capable of accelerating industrial development.

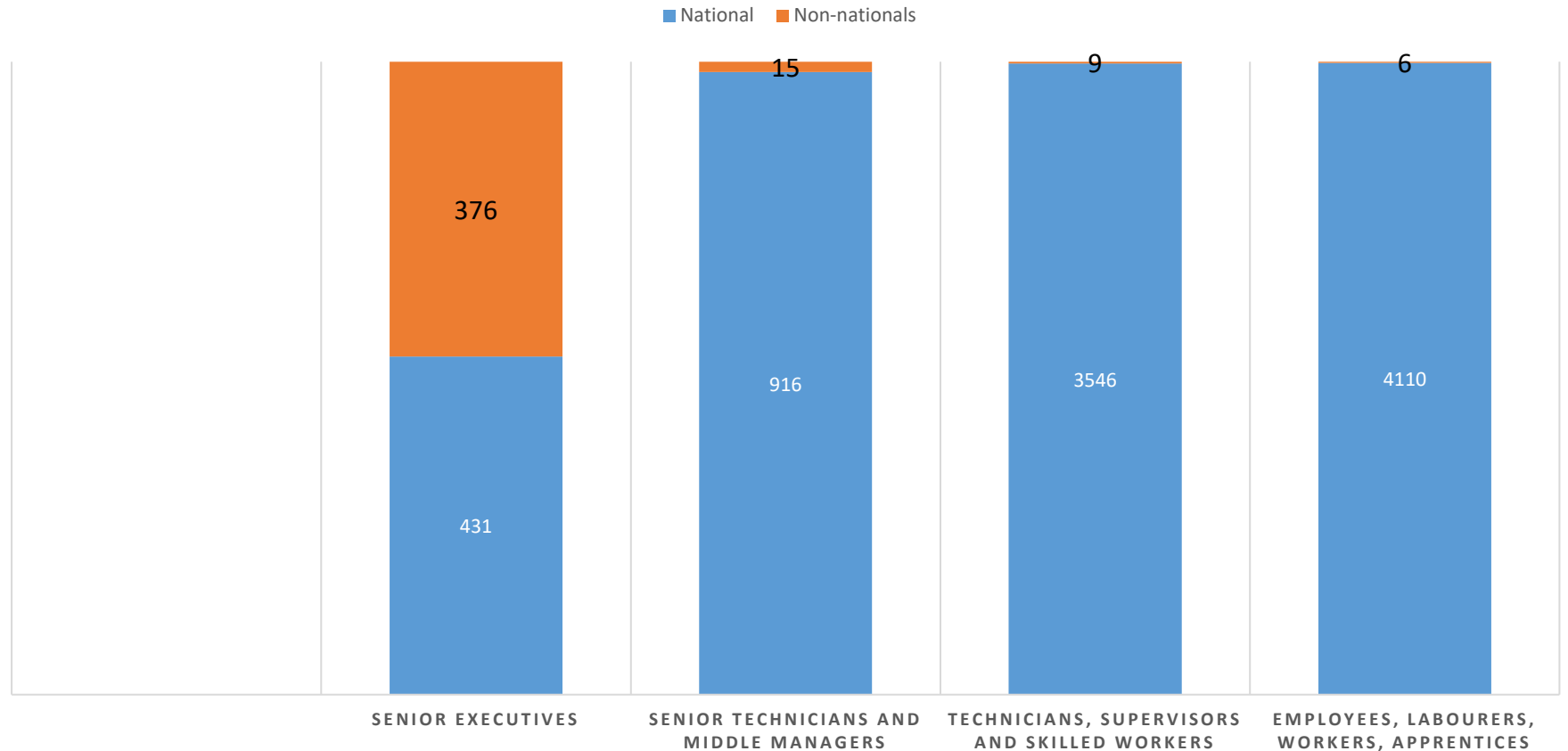
Greater involvement of nationals in subcontracting and supply of goods and services would be a good lever to compensate for the lack of direct employment.



Data analyses

The 26 companies included in the scope of the 2020 reconciliation have provided details of their workforce. They employed **9409 people** in 2020. **The majority of the workforce (95.68%) are nationals.** The total wage bill reported was 106.7 billion FCFA, including 98.3 billion FCFA for employees in the mining sector and 8.4 billion FCFA for employees in the hydrocarbon sector. **There are 724 women, accounting for 7.69% of the total workforce.**

JOB'S BY QUALIFICATION LEVEL (NATIONAL VS. NON-NATIONAL)



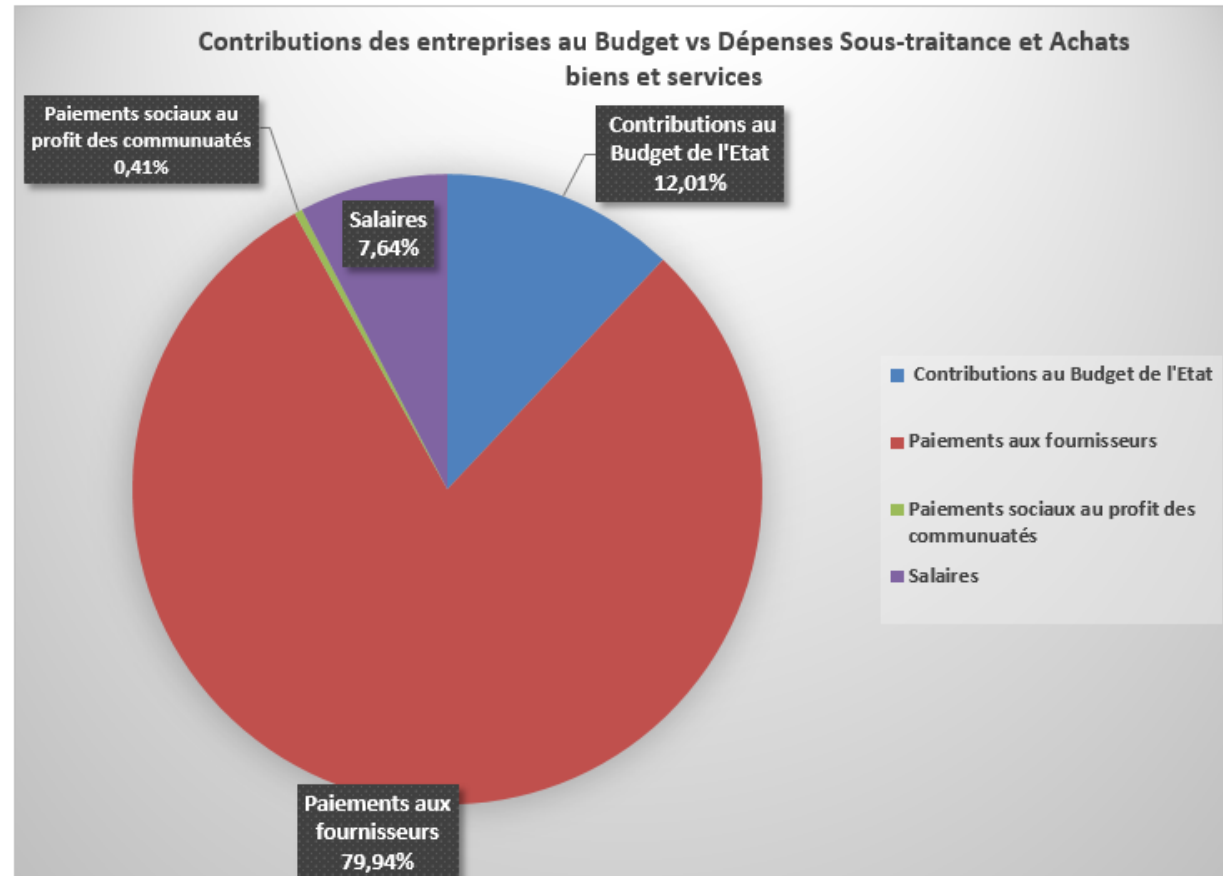


Data analyses

Based on Requirement 6.3 on the contribution of extractive industries to the economy.

According to the data collected as part of the 2020 Report, the oil and mining companies in the reconciliation scope reported a total amount paid to suppliers and subcontractors in 2020, estimated at 1,116 billion FCFA, including 219.7 billion to companies held mostly by nationals (206.8 billion paid by mining companies and 12.8 billion by oil and gas companies).

Types de contributions	Montants en milliards FCFA en 2020	Montants en milliards FCFA en 2019	Montants en milliards FCFA en 2018
<i>Contributions au Budget de l'Etat</i>	167,75	147,58	110
<i>Paiements aux fournisseurs</i>	1116,42	890,69	999
<i>Paiements sociaux au profit des communautés</i>	5,77	3,37	2
<i>Salaires</i>	106,71	77,39	92,02
TOTAL CONTRIBUTIONS en FCFA	1 397	1 119	1 203



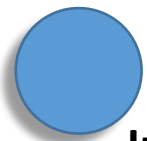


Data analyses

The analysis of markets, services and supplies of goods and services makes it possible to classify the categories of markets captured by Senegalese majority-owned companies. The detail is as follows:

In view of these data, Government agencies (COS-PETROGAZ), Senegalese Industrial Upgrading and Modernization Office, ADEPME, APIX, etc.), in collaboration with the Ministry of Mines, Ministry of Oil and all other competent Authorities to develop a comprehensive strategy for the implementation of local content, including support of local suppliers for their capacity-building and access to fundings.

Goods and services / subcontracting (mines) category	Year to date payments to local suppliers/subcontractors and service providers (FCFA)
Air transport	5,876,800
Maintenance	172,158,490
Food and drink	263,152,760
Metal plant installation	268,061,534
Financial services	396,966,000
Legal services	405,452,566
Mining drilling	678,253,964
Consumables	774,562,545
Staff transport	1,082,520,257
General trading	1,677,454,247
Accommodation/ office rental	1,679,225,391
Technical/ environmental studies	3,078,137,560
Water drilling	3,092,432,218
Insurance	3,109,774,649
Mining	4,126,482,911
Carriage of goods	6,777,723,470
Supply of hydrocarbons	7,315,881,593
Civil works	7,819,872,129
Human resources/recruitment	9,389,007,507
Supplies of raw materials	14,810,652,468
Transit services	18,686,591,807
Transport of mining products	26,601,294,546
Other	94,662,308,510
TOTAL (FCFA)	206,873,843,922



Perspectives

Implementation of provisions of local content laws for citizens' access to information.

Develop a synergy between platforms and analyse data to continue and evaluate reforms.

(Local-content monitoring **Agency or Body**)



- ▶ **Coordination** of the development of the **national local content strategy**
- ▶ **Monitoring** of the proper application of the national strategy

ELECTRONIC PLATFORM



- ▶ Place for the **mandatory publication of all invitations to tender**
- ▶ **Accessible to all qualified Senegalese companies.**

SUPPORT FUND



- ▶ Local-content development support fund
- ▶ **Supporting measures to qualify Senegalese companies**

Perspectives

Improve the taxpayer registry, allow departments to verify the NINEA (Tax ID) from a single registry.

Monitor expenditure through the government budget. For the future management of oil and gas revenues, the law was adopted. Senegal will be an oil and LNG producer from 2023.

Automate disclosure so that the public portal is updated more often.

Strengthen companies' capacity to disclose data through their own portals (EITI integration is a two-way process to facilitate data reconciliation).

To mobilize more domestic resources, Administrations need help to analyse 3 factors: the data from the Register of Beneficial Owners; the contracts signed; and the payments recorded in the FUSION system.



In conclusion

ELEMENTS OF LONG-TERM SUCCESS

Long-term commitment



This is not a one-time exercise. Partners must make long-term commitments to regularly update the databases.

Trust



Some extractive companies may be reluctant on account of confidentiality and competition. Stakeholders must therefore engage in a relationship of trust.

Access to information and timeliness



Citizens must have access to up-to-date information.

Decision makers need data to inform decision-making.

Civil society must be upgraded for analysis.

C THANK YOU FOR YOUR KIND ATTENTION