

Validation of Mali

Final assessment of progress in implementing the EITI Standard

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Acronyms

AfDB	African Development Bank
BCEAO	Banque Centrale des Etats d’Afrique de l’Ouest
BO	Beneficial Ownership
CSO	Civil Society Organisation
ECOWAS	Economic Community of West African States
EITI	Extractive Industries Transparency Initiative
GDP	Gross Domestic Product
GFS	Government Finance Statistics
IA	Independent Administrator
IMF	International Monetary Fund
MCAS	Mining Cadastre Administration System
MSG	Multi-Stakeholder Group (<i>Comité de Pilotage ITIE Mali</i>)
NA	Not Applicable
NGO	Non-Governmental Organization
OHADA	Organisation pour l'Harmonisation en Afrique du Droit des Affaires
PEP	Politically Exposed Person
PWYP	Publish What You Pay
SOE	State-Owned Enterprise
TOFE	Tableau des Operations Financières de l’Etat
ToR	Terms of Reference
VAT	Value Added Tax
UEMOA	West Africa Economic and Monetary Union
USD	United States Dollars
XOF	West African CFA franc

Executive summary

This Validation report presents the findings of the International Secretariat's Validation of Mali, which commenced on 1 April 2022. The draft report was finalised for review by the multi-stakeholder group (MSG) on 11 August 2022. Following comments from the MSG received on 7 September 2022, the Validation report was finalised for consideration by the EITI Board. The assessment suggests that Mali has exceeded one EITI Requirement, fully met six, mostly met 16 and partly met three requirements, with six requirements assessed as not applicable.

EITI Board-mandated focus of this Validation

Mali has been governed by a military National Transitional Council (CNT) following two coup d'états in August 2020 and May 2021. It was suspended and sanctioned by the Economic Community of West African States (ECOWAS) in November 2021. These sanctions were lifted in July 2022, following the agreement on an electoral calendar providing for the end of the transition in 2024, i.e. after two years. At its [52nd meeting](#) in February 2022, the EITI Board mandated the International Secretariat to proceed with the Validation of Mali scheduled to commence on 1 April 2022, albeit with an increased scrutiny of the EITI protocol: Participation of civil society and adherence to Requirement 2, including ensuring full disclosure of contracts and licenses issued and transferred during the military regimes since 2020. A dedicated review of adherence to the EITI protocol: Participation of civil society is provided in Annex A, which the status of and environment for civil society's engagement in the EITI process, while a review of adherence to EITI Requirements 2.2-2.4 on license and contract allocation, registers and disclosure is provided in Annex B of this Validation report. Additional information on the political context for this Validation is provided in Annex C.

Key achievements

- Mali has established an institutional framework for EITI implementation, through references to EITI disclosures in the 2019 Mining Code and the enactment of a beneficial ownership register decree in February 2022, that provide a solid legal foundation for strengthening the government's practice of systematic disclosures. The opportunity for the transitional political authorities is to leverage the implementation of these previous government reforms to establish a solid basis for engaging with national and international investors and civil society on the basis of transparency and accountability in the management of the country's extractive industries, including large-, medium-, small-scale and artisanal mining.
- With donor support, Mali EITI has deployed considerable resources to analyse the outcomes and impact of its work and perform self-diagnostics of Mali's EITI implementation and communications. Now is the time to act on the diverse and pertinent recommendations of the various studies conducted during the period under review (2019-22), leveraging on the resumption of more active EITI implementation (including dissemination and outreach) since 2021.
- Mali has expanded the scope of its EITI financial disclosures to sub-contractors in the mining sector, local content and to sub national transfers of non-extractive revenues to municipal governments, two topics of significant public interest in Mali. These have been among the most impactful EITI disclosures in Mali to date.

- The civil society has made recent efforts to demonstrate that it was possible in Mali to discuss sensitive matters related to the management of the extractive sector, by organising public debate activities during the commenting period on the draft Validation report, both in radio and TV format. The debates addressed issues such as contracts, licensing, ASM and environmental issues and involved members of the licensing authority (DNGM) and journalists.

Areas for development

- The multi-stakeholder dynamics of Mali's EITI implementation have been challenging since the previous Validation. Broader constituency coordination mechanisms do not appear to be regular or effective for either civil society or industry. The broader civil society constituency's engagement in the EITI appears to have been limited during the period under review. Some stakeholders consulted considered that there were direct government restrictions on freedom of expression on topics of natural resource governance such as license awards and transfers, environmental impacts of mining and management of extractive industry revenues. Evidence provided by civil society, produced during in the MSG commenting period (here, here and here, suggests that discussions by civil society on sensitive issues such as the deterioration of civic space indicators, the artisanal and informal mining sector, the environmental impacts of mining or alleged mining rights awards to armed groups can take place in the capital. Such discussions should take place regularly, both in the capital and in the regions affected by mining, and engaging local civil society active on issues of the extractive industries.
- There are clear opportunities to strengthen EITI disclosures on artisanal mining, semi-mechanised mining, licensing and environmental management of extractive activities in line with new provisions of the 2019 EITI Standard. There is significant public attention on the extensive informal mining activities in Mali, including widely reported environmental impacts (including TV coverage [here](#)) and links to the financing of insurgency and instability (with TV coverage [here](#)). Mali has not yet used its EITI disclosures to provide a robust evidence basis to support public debate on extractive contract and license management issues that have attracted significant national and international attention in recent years. There is significant scope for Mali to strengthen its use of the EITI to provide an annual diagnostic of the practices related to the award of mining rights, the disclosure of extractive contracts as well as artisanal and informal mining activities.
- Mali's use of its EITI implementation to support broader reforms in the extractive industries remains limited, given the ad hoc nature of the mechanism for consistent follow-up on past EITI recommendations. There is scope for more proactive engagement from all constituencies in the follow up on EITI recommendations and in the dissemination of findings of EITI Reports and related thematic studies. Greater alignment of EITI Mali work planning with national priorities for the extractive industries could also help ensure that EITI implementation is serving broader objectives for all three constituencies.

Progress in implementation

EITI Validation assesses countries against three components – “Stakeholder engagement”, “Transparency” and “Outcomes and impact”.

Stakeholder engagement

Mali has sought to sustain its multi-stakeholder oversight of the EITI during a period of political change, significant insecurity, and the impact of the COVID-19 pandemic. The MSG continued to meet regularly in this period, although relations with the then-National Coordinator deteriorated markedly in 2020-21 before his replacement in mid-2021. The government continued to provide some leadership for the EITI, although weaknesses in the provision of required data and of sufficient resources for implementation have caused delay and gaps in EITI reporting, dissemination of findings and follow-up on EITI recommendations. Industry engagement also weakened in this period, with participation driven by larger industrial mining companies rather than being more representative of the diversity of the sector, including at the small and medium scale activities. The environment for civil society participation in the EITI process, including public debate on natural resource governance, became more constrained in this period according to international civic space indicators, although opinions of CSOs substantially engaged in the EITI process aligned with government views that the broader instability did not constrain civil society's engagement in the EITI process in this period. The links between CSOs directly engaged in the EITI process and their broader constituency, particularly in mining regions, appear very weak. Development partners and some CSOs outside the EITI alleged broad-based self-censorship due to fears of government repression, but the MSG has recently provided evidence in its comments that issues of public interest could be publicly debated. Breaches to the EITI protocol: Participation of civil society related to expression (Provision 2.1) has been identified, with civil society actors having experienced harassment for expressing critical views, whereas there is no broader evidence that the repression is systematic and must be considered in the context of significant violence linked to the anti-terrorist efforts . .

Transparency

Mali has established its EITI implementation as a central public repository of information on the statutory framework and large scale industrial mining activities. It has extended disclosures to areas of public interest with regards to the formalised mining sector, including contractors, local content and sub national transfers of general business taxes. It has not yet used its EITI implementation to tackle other disclosures of public interest such as artisanal and small-scale mining or environmental management of the extractive industries. There is significant scope in strengthening Mali EITI's role to undertake diagnostics of actual practice in industry governance, building on previous work in disclosing many mining contracts and reviewing some licensing procedures. Mali has recently established an enabling legal framework for collecting and disclosing beneficial ownership data on extractive companies, whose implementation should now become a priority.

Outcomes and impact

Mali has made efforts to align national objectives with EITI implementation, but as an EU-funded [review](#) of the EITI's impact notes, there is still ample scope to include objectives that would make the EITI more relevant in improving transparency and accountability in the mining sector. While the MSG discusses work plans and annual progress in its meetings, there is little sign that the broader constituencies are being consulted to reflect their views and hold the EITI MSG accountable. Mali EITI has started to publish data from commissioned studies alongside the reports, which encourages the use of data. The Mali EITI work plan does not yet act as a key monitoring, evaluation, learning and accountability document. Recommendations from reporting and Validation are not included in the work plan and not prioritised. There is no visible way recommendations from other reports are discussed and followed up on. On outreach, EITI Mali

has tried some interesting formats (videos) in local languages. The dissemination of information in the report could be more timely and other formats, such as radio, could be explored to reach more rural populations. The EITI may also wish to tailor its dissemination according to the region it interacts with. Finally, a regular and timely review of outcomes and impact are integral for strengthening the EITI's accountability. There has been significant improvement in this area, but implementation is still lacking a robust mechanism to follow up on recommendations and to ensure that feedback from the broader constituencies is collected and reflected.

Validation scorecard

Component & module	EITI Requirement	Progress	Score	
Outcomes and impact		Moderate	70/100	
Extra points	Effectiveness and sustainability indicators		1	
Outcomes and impact	Work plan (#1.5)	Mostly met	60	↓
	Public debate (#7.1)	Mostly met	60	↓
	Data accessibility and open data (#7.2)	Fully met	90	-
	Recommendations from EITI (#7.3)	Mostly met	60	=
	Outcomes & impact (#7.4)	Mostly met	75	↑
Stakeholder engagement		Fairly low	60/100	
Multi-stakeholder oversight	Government engagement (#1.1)	Mostly met	60	↓
	Industry engagement (#1.2)	Mostly met	60	↓
	Civil society engagement (#1.3)	Mostly met	60	↓
	MSG governance (#1.4)	Mostly met	60	=
Transparency		Fairly low	66/100	
Overview of the extractive industries	Exploration data (#3.1)	Mostly met	60	↓
	Economic contribution (#6.3)	Mostly met	60	↓
Legal and fiscal framework	Legal framework (#2.1)	Fully met	90	=
	Contracts (#2.4)	Partly met	30	↓
	Environmental impact (#6.4)	Not assessed	-	-
Licenses	Contract and license allocations (#2.2)	Partly met	30	↓
	License register (#2.3)	Fully met	90	=
Ownership	Beneficial ownership (#2.5)	Partly met	30	-
State participation	State participation (#2.6)	Fully met	90	=
	In-kind revenues (#4.2)	Not applicable	-	-
	SOE transactions (#4.5)	Not applicable	-	-
	SOE quasi-fiscal expenditures (#6.2)	Not applicable	-	-
Production and exports	Production data (#3.2)	Mostly met	60	↓
	Export data (#3.3)	Mostly met	60	↓
Revenue collection	Comprehensiveness (#4.1)	Mostly met	60	↓
	Barter agreements (#4.3)	Not applicable	-	-
	Transportation revenues (#4.4)	Not applicable	-	-
	Disaggregation (#4.7)	Mostly met	60	↓
	Data timeliness (#4.8)	Fully met	90	=
	Data quality (#4.9)	Mostly met	60	↓
Revenue management	Distribution of revenues (#5.1)	Fully met	90	=
	Revenue management & expenditures (#5.3)	Not assessed	-	-
Subnational contributions	Direct subnational payments (#4.6)	Not applicable	-	-
	Subnational transfers (#5.2)	Exceeded	100	=
	Social and environmental expenditures (#6.1)	Mostly met	60	↓
Overall score		Fairly low	65.5/100	

How EITI Validation scores work

Component and overall score

The three components of EITI Validation – “Transparency”, “Stakeholder engagement” and “Outcomes and impact” – each receive a score out of 100. The overall score represents an average of the component scores.



Assessment of EITI Requirements

Validation assesses the extent to which each EITI Requirement is met, using five categories. The component score is an average of the points awarded for each requirement that falls within the component.



- **Exceeded** (100 points): All aspects of the requirement, including “expected”, “encouraged” and “recommended” aspects, have been implemented and the broader objective of the requirement has been fulfilled through systematic disclosures in government and company systems.
- **Fully met** (90 points): The broader objective of the requirement has been fulfilled, and all required aspects of the requirement have been addressed.
- **Mostly met** (60 points): Significant aspects of the requirement have been implemented, and the broader objective of the requirement is mostly fulfilled.
- **Partly met** (30 points): Significant aspects of the requirement have not been implemented, and the broader objective of the requirement is not fulfilled.
- **Not met** (0 points): All or nearly all aspects of the requirement remain outstanding, and the broader objective of the requirement is far from fulfilled.
- **Not assessed**: Disclosures are encouraged, but not required and thus not considered in the score.
- **Not applicable**: The MSG has demonstrated that the requirement doesn’t apply.

Where the evidence does not clearly suggest a certain assessment, stakeholder views on the issue diverge, or the multi-stakeholder group disagrees with the Secretariat’s assessment, the situation is described in the assessment.

1. Effectiveness and sustainability indicators

The country is awarded 0, 0.5 or 1 point for each of the five indicators. The points are added to the component score on Outcomes and impact.

1.1 National relevance of EITI implementation

This indicator considers the extent to which EITI implementation in Mali addresses nationally relevant extractive sector challenges and risks.

The objectives of Mali's successive EITI work plans (for 2019-22, available on the Validation documentation [page](#)) have been structured along the same seven strategic axes that have only partly been aligned with national priorities, such as in improving the legal and regulatory framework and strengthening transparency of contracts and beneficial ownership. The narrative to the 2022 EITI work plan makes some linkages between the objectives of EITI implementations and Mali's national priorities for the extractive industries, although there is scope for further alignment with national priorities. There is no evidence that the broader government, industry and civil society constituencies have been canvassed for input to the development of the work plan objectives, which have remained unchanged for several years and were originally developed by the National Secretariat and MSG's working group. Nevertheless, Mali has expanded its EITI implementation to cover some issues of evident public interest such as mining contractors and suppliers as well as transfers of a share of general business taxes to subnational governments, even if these are not reflected in the objectives for implementation. These have been among the Mali EITI disclosures of greatest public interest, based on feedback at its outreach and dissemination activities. However, despite recommendations from its own past (2016) EITI Report, Mali EITI has not yet expanded the scope of its implementation to tackle other issues of public interest, such as the artisanal and small-scale mining sector or the management of environmental impacts of the extractive industries. A senior government official consulted emphasised that the formalisation of artisanal and semi-mechanised mining is an explicit priority for the Ministry of Mines, Energy and Water. While there is ample potential for EITI Mali to play a key role in providing a forum for consultations and a mechanism for public disclosures in the context of these reforms, there is no evidence of EITI involvement in the Ministry's efforts to date.

While Mali's successive EITI work plan include only general activities linked to legal and regulatory reforms and follow-up on EITI recommendations, there is evidence of the impact of Mali EITI on sector reforms, such as the inclusion of provisions related to the EITI in the 2019 Mining Code and the enactment of a Government Decree establishing a public beneficial ownership register for the extractive industries in February 2022. Nonetheless, stakeholder consultations highlighted some frustration by stakeholders (particularly civil society) over the lack of consistency in the follow-up on EITI recommendations and the perceived ad hoc nature of reforms. Several government and industry stakeholders consulted highlighted the impact of the pandemic on EITI implementation as a reason why the EITI had not yet led to all desired outcomes. Several civil society stakeholders consulted considered that the gaps were due to weaknesses in government and company engagement in activities meant to lead to the desired objectives. The Mali EITI November 2020 [impact study](#) highlights the significant scope for improving the EITI's relevance in Mali by linking implementation objectives to broader extractive governance challenges and national priorities for the mining sector, such as artisanal and semi-

mechanised mining. Therefore, the Secretariat does not consider that EITI implementation is yet sufficiently aligned with national priorities for the extractive industries.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

1.2 Systematic disclosures of extractive industry data

There are some sources of systematic disclosures of data required by the EITI Standard in Mali, albeit from government sources rather than from extractive companies. The Ministry of Mines, Energy and Water operates a publicly-accessible [MCAS cadastral portal](#)¹ for the mining sector that covers all licenses other than artisanal mining authorisations awarded at the municipal level, with license data available for bulk download in open format. The government's official gazette (*journal officiel*) provides a searchable and comprehensive database of past editions which, although only available in PDF format, represents an example of regional best practice in the availability of the official gazette. The government provides systematic disclosures of some budget data on the websites of the [Ministry of Economy and Finance](#) and of the [Ministry of Budget](#).

The narrative of the 2022 Mali EITI work plan includes reference to activities on systematic disclosures being incorporated in the work plan, and the work plan itself includes activities such as mapping existing extractive data in the public domain, improving the online mining cadastral portal and producing a feasibility study on mainstreaming of EITI data. There do not appear to be more specific plans for integrating EITI reporting into other government and company disclosure systems.

The Secretariat proposes that 0.5 additional points be added to the score on Outcomes and impact for this indicator.

1.3 Environment for citizen participation in extractive industry governance

This indicator considers the extent to which there is an enabling environment for citizen participation in extractive sector governance, including participation by affected communities.

There appear to be some mechanisms for civil society participation in policy-making, although these have been at a highly formalised level rather than creating opportunities for citizen input to public decision-making on extractive industry governance specifically. For instance, civil society participated in the 'Inclusive National Dialogue' in December 2019 and were involved in negotiations around the establishment of the transitional government after the August 2020 coup d'état, according to the CSO Sustainability Index for sub-Saharan Africa in 2019 and 2020. No such consultation mechanism appears to have been established following the second coup d'état in May 2021. In practice, there appears to be few mechanisms for civil society input to technical decision-making on extractive industry governance, in particular in communities hosting extractive activities. There is no comprehensive freedom of information law in Mali, and while different laws include provisions for public access to certain government document, these clauses are often vague and unevenly implemented according to Freedom in the World 2019,

¹ Registration is necessary to view the information but is free of charge.

2020 and 2021. Nonetheless, several CSOs consulted considered that their participation in the EITI process and membership of the MSG provided them with greater standing to influence public debate and ultimately policy-making through their media interventions.

Evidence of civil society's active engagement in outreach, dissemination and other EITI activities appears to indicate that the constituency is able to use its participation in the EITI process to promote public debate through public events, workshops and press statements. While this access to public-decision-making through the EITI appears driven primarily by MSG members rather than the broader constituency, civil society has used the EITI process to undertake advocacy around subnational transfers of revenues from mining companies, for contract disclosure as well as for legal and regulatory reforms, for instance in the implementation of the new Mining Code. There is recent evidence that CSOs have used the EITI process to discuss sensitive issues such as allegations of mining rights awards to armed groups, although they do not appear to have been discussed by the MSG to date. Several CSOs noted that they had proposed that the MSG discuss these issues, but that this proposal had not been taken forward.

The MSG does not appear to have yet reviewed policies and practices related to citizen participation in the extractives decision-making process, nor of issues related to the environment for civil society participation in the EITI process and natural resource governance. Although some stakeholders raised concerns over the technical and financial capacities of civil society stakeholders substantially engaged in the EITI process, several CSOs consulted considered that they had broadly sufficient resources to engage in all aspects of EITI implementation. While the occasional EITI dissemination and outreach events have created space to discuss issues related to subnational transfers and artisanal and small-scale mining, evidence of the effect of EITI implementation on mining communities is weak. There is no documented evidence or stakeholder views indicating that the EITI has had an impact in protecting and promoting civic space related to the extractive industries. Broader constraints on civic space appear to have had an impact on the freedom of expression of civil society substantially engaged in the EITI process. Additional analysis of the environment for civil society participation in the EITI process is provided in Annex A.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

1.4 Accessibility and use of extractive industry data

This indicator considers the extent to which extractive sector data is accessible and used for analysis, research and advocacy.

There appears to be significant demand for some of the information disclosed by Mali EITI, particularly on subnational transfers of a share of general business taxes, on mining sub-contractors' payments to government, and on government efforts to promote local content in the extractive industries. Stakeholder consultations noted that these featured among the issues of greatest public interest at EITI outreach and dissemination events. However, Mali has yet to expand its EITI implementation to other areas of apparently high public interest, particularly on artisanal and small-scale mining, despite its own previous EITI recommendations to do so. While the underlying data in the 2019 EITI Report has been published in open format, most government systematic disclosures of extractive data is not published in open format aside from license data from the MCAS cadastral portal and budget data on the Ministry of Budget website.

There is evidence of some use of EITI data by civil society organisations in certain thematic analytical reports produced in 2020-21. Civil society has published three reports making use of EITI data in the period under review, including two PWYP Mali reports on the [cost of subnational tax exemptions](#) in December 2019 and on [contract disclosure practices](#) in March 2021. The CSO CAD-Mali published a [May 2021 study](#) on the management of subnational transfers of 'la patente' collected from mining companies. Supported by OSIWA, the PWYP Mali coalition held [events](#) in the mining regions of Kayes and Bougouni in July 2020 to disseminate findings of the studies on the cost of subnational tax exemptions and the management of subnational transfers. The PWYP Mali coalition published a series of six newsletters in 2019-20, available on the Mali EITI [website](#), to disseminate some EITI information and opinion pieces on extractive industry governance.

Stakeholder consultations did not highlight additional examples of use of EITI data by other stakeholders beyond civil society substantially engaged in the EITI process. While stakeholders consulted from all constituencies considered that EITI data had led to some public debate, particularly on subnational transfers and mining sub-contractors, several CSOs considered that the EITI was not having as much impact on public debate and use of extractive data to strengthen accountability mechanisms given the impact of funding constraints on Mali EITI dissemination activities. As highlighted by the Mali EITI November 2020 impact study, there is scope for the impact of Mali's EITI implementation to be strengthened by expanding the scope of the EITI process to address other issues of significant public interest, such as environmental impacts of the extractive industries as well as artisanal and small-scale mining.

The Secretariat proposes that 0.5 additional points be added to the score on Outcomes and impact for this indicator.

1.5 EITI-related changes to extractive industry policy and practice

This indicator considers the extent to which EITI has informed changes in extractive sector policies and practices.

There appears to be little use of EITI data to inform public policy-making in Mali, but there is more evidence of the impact of EITI implementation in reform of certain laws and regulations related to the extractive sector, as well as of some practices. For instance, follow-up by Mali EITI ensured that the 2019 Mining Code included provisions related to EITI implementation and covering the public disclosure of mining contracts (Art. 18). The February 2022 Government Decree on establishing a public beneficial ownership register covering all extractive companies was broadly attributed to follow-up from Mali EITI according to most stakeholders consulted. Finally, the Ministry of Mines, Energy and Water's clarification of the technical and financial criteria assessed in mining license awards was considered to be due to Mali EITI's work in performing diagnostics of license allocation practices. Yet several stakeholders from different constituencies considered that the EITI's impact on legal and regulatory reforms remained limited in Mali, which some CSOs consulted considered was due to weaknesses in EITI engagement and coordination across different government entities. Evidence of the EITI informing changes in extractive companies' practices is far more limited. Extractive companies routinely publish little information on their operations in Mali. Several CSOs consulted expressed significant frustration at company disclosures and considered that there was significant scope in improving extractive companies' practices in relation to managing the environmental impacts of their operations through the EITI.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

2. Outcomes and impact

This component assesses EITI Requirements 7 and 1.5, which relate to progress in addressing national priorities and public debate.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p>Work plan (Requirement #1.5)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 1.5 is mostly met, which represents backsliding since the last Validation. Most stakeholders consulted did not voice any opinions on the annual work plans, although some government officials consulted considered that the objective of the annual EITI work plan providing a key accountability document for the MSG vis-à-vis broader constituencies had been fulfilled given the MSG's regular discussions of work plan implementation. Stakeholders consulted confirmed that the 2022 EITI work plan was reviewed (at the MSG's 23 December 2021 meeting) and the minutes note amendments made following MSG discussions. However, neither available documentation nor consultations provided evidence that the MSG members consulted with their respective broader constituencies for input in developing the work plan's objectives or activities. In its comments on the draft assessment, the MSG noted that the 2020 EITI Mali work plan had been disseminated to civil society at several workshops but did not provide evidence that such consultations occurred in the work plan's development prior to MSG approval. The Secretariat's view is that annual planning for EITI implementation through the work plan supports implementation of sectoral priorities for the extractive industries and lays out mostly realistic activities. However, as noted in the November 2020 impact study, there is significant scope to improve the EITI's relevance in Mali by linking implementation objectives to broader extractive governance challenges and national priorities for the mining sector, such as strengthening governance of artisanal and semi-industrial mining. The objectives of successive annual EITI Mali work plans have remained unchanged for several years. As there is no evidence that the work plan is the outcome of consultations with broader government, industry and civil society constituencies beyond those members directly represented on the MSG, the Secretariat's view is that the objective is mostly met. In its comments on the draft assessment, the MSG argued that it could not change the structure of the work plan that it considered to be prescribed by the EITI Standard but argued that the activities had evolved over several work plans covering 2019, 2020 and 2021.</p>

	<p>Mali has updated the activities of its EITI work plan annually and published it on its website.² The EITI work plans list new and updated activities besides some regular items, reflecting the evolving focus of EITI implementation. The work plan narrative makes some linkages between the objectives of EITI implementations and Mali's national priorities for the extractive industries. Yet in its comments on the draft assessment, the MSG noted that the priority objectives of the work plan were to improve EITI Reports and follow-up on recommendations from EITI reporting and Validation. The work plan activities reference the expected result, responsible party, cost, funding source and approximate timeframe (quarterly). Several activities that are related to activities mainly carried out by the Mali EITI Secretariat are not costed. The work plan includes activities to address capacity constraints of stakeholders participating in EITI reporting. The narrative includes a reference to activities on systematic disclosures being incorporated in the work plan, but the plan itself does not reference concrete plans to progressively mainstream disclosures required by the EITI Standard beyond mapping the existing data in the extractives sector, improving the data in the online mining cadastral portal and producing a feasibility study on mainstreaming of EITI data. In its comments on the draft assessment, the MSG argued that the plans for a mainstreaming feasibility study constituted a key activity related to systematic disclosures. The work plan includes activities to address legal and regulatory obstacles and follow-up on recommendations from reporting and Validation, albeit only in general terms. The work plan does not include plans for the EITI to support specific reforms, such as the rumoured as planned revisions to the Mining Code. Indeed, stakeholder consultations revealed a frustration over how recommendations were followed up consistently over time, a role that the work plan could play. The work plan includes activities to strengthening contract and beneficial ownership disclosures. In its comments on the draft assessment, the MSG argued that the activities related to the publication of a contract disclosure plan and to systematic disclosures demonstrated that the work plan could contribute to reforms in the mining sector.</p>
<p>Public debate (Requirement #7.1)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 7.1 is mostly met, which represents backsliding compared to the previous Validation. Most stakeholders consulted considered that the objective of enabling evidence-based public debate on extractive industry governance through active communication of relevant EITI data in ways that are accessible and reflect stakeholders' needs is mostly fulfilled and that the EITI has contributed to some degree of public debate.</p> <p>Stakeholders considered that there had been outreach activities related to EITI Reports in the period under review. Company stakeholders consulted considered that the information on local revenue management in mining communities had sparked discussions between the communities and the mayors. Nonetheless, there is little documentation available on activities in 2019 and 2020 in particular, including alternative activities to in-person outreach efforts during the pandemic. There appears to have been little EITI outreach and dissemination in the period between the end of the previous Validation (February 2019) and the onset of the COVID-19 pandemic in early</p>

² A website search is needed to locate the « Plan de travail ». It is not linked to the general menu or the presentation on what the EITI is.

	<p>2020. In its comments on the draft assessment, the MSG highlighted factors that led to the slow-down in communications activities including the COVID-19 pandemic, political instability since June 2020, and the ECOWAS and UEMOA embargoes that led to the suspension of funding from development partners and budget restrictions for the government. The thrust of activities in dissemination and developing communications products were undertaken in late 2021 and early 2022. In assessing outreach and dissemination activities in 2020 and 2021, the International Secretariat considered the context of the pandemic as well as the continued security challenges and political instability in the country (with two coup d'états in August 2020 and May 2021, followed by the postponement of elections planned for February 2022).</p> <p>The MSG has taken steps to ensure that the 2017-2019 EITI Reports are comprehensible, actively promoted and publicly accessible. Outreach activities in late 2021 and early 2022, including summaries of the 2017 and 2018 EITI Reports in local languages and the production of two video sketches in local languages on the EITI process and the 2019 EITI Report, are ways Mali EITI is meeting information needs, considering linguistic diversity and alternative presentation of information. There have been some activities on Facebook (estimates are that about 10% of the population of Mali has a Facebook account). A new newsletter format was developed in June 2019 but not repeated. A university EITI club CLUB FDPRI-ITIE/MALI (a law faculty EITI club) was founded in September 2019, although it is unclear whether this club continued its activities since then. The annual activity report documents many activities related to outreach 2020 that were not carried out. In its comments on the draft assessment, the MSG highlighted capacity building sessions undertaken by civil society despite broader constraints and argues for “fully met” (90 points) on this requirement. These included the establishment of a monitoring platform for the Local Development Mining Fund, a workshop on beneficial ownership, the 2019 EITI Standard and the cadastral information portals, a peer exchange meeting on fiscal information, meetings on operationalising the Local Development Mining Fund, and a workshop on the implementing regulations to the new Mining Code.</p> <p>A five-day capacity building session was carried out in September 2021 in preparation to Validation for MSG members. From the review of documentation, capacity building from the EITI was only carried out for MSG members, not for members of the broader constituencies or other potential users of EITI data. The EITI Mali commissioned a study published in November 2020 on the traceability of mining revenues at the level of local authorities. There is little evidence that the results of this study were subsequently disseminated, however.</p> <p>An EITI Mali impact study published in November 2020 concluded that the EITI had had a tangible impact in informing citizen debate and building trust based on the disclosure of comprehensive and credible data on the extractive sector. It further found that the main product of the EITI - the EITI Report - was largely under-utilised. The study identified information on the mining sector's contribution (local content), the contribution of extractive companies and government to mining regions and environmental impacts of mining, as well as work on anti-corruption, artisanal and small-scale mining, revenue modelling and gender, as areas where the EITI could enhance its impact on public debate. The Secretariat's view is that the resumption of dissemination activities in late 2021 is an encouraging development. The International Secretariat takes</p>
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	<p>note of videos and radio debates on sensitive issues, including civil society participation, undertaken during comment period in September 2022. However, the pace of outreach and dissemination has been inconsistent in the period under review and that has hindered the broader contribution of the EITI to public debate.</p>
<p>Data accessibility and open data (Requirement #7.2)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 7.2 is fully met. Some stakeholders consulted did not consider the objective of enabling the broader use and analysis of information on the extractive industries to be fulfilled. The Secretariat's view is that the objective is fulfilled given the publication of the underlying data in the most recent EITI Report in open format, although not yet in a systematic manner.</p> <p>The ample data from studies and EITI Reports are usually not published in open format alongside the PDF file, and hence do not encourage the broader use and analysis of data. The availability of open data, where available, is not actively advertised.</p> <p>Mali EITI has agreed and published an open data policy in November 2017 covering the terms of release, use and reuse of EITI data. Mali's EITI Reports have continued to be published in PDF format on the EITI Mali website, with accompanying summary data files published in .xlsx format for 2017 and 2018 Reports. The data tables in those EITI Reports were not published in open format. The 2019 EITI Report is accompanied by an excel file containing all the report data in detail but the 2019 EITI summary data file has not yet been prepared or submitted to the International Secretariat for comment as of June 2022. In its comments on the draft assessment, the MSG highlighted the recent publication of the 2019 summary data file. The data from the study on traceability of mining revenues at the local level (December 2020) was not published in open format.</p> <p>Mali's license register systematically discloses licenses and is updated daily and the information contained in the register can be downloaded in .csv format. The Ministry of Budget website provides data on budget figures available for download in open (.csv) format, although it does not appear to have been updated since the imposition of international sanctions in early 2022. Other data required by the EITI that is systematically disclosed on government portals has not yet been published in open format. In its comments on the draft assessment, the MSG noted that its systematic disclosures feasibility study was ongoing in 2022.</p>
<p>Recommendations from EITI implementation (Requirement #7.3)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 7.3 is mostly met, without considerable improvements since the previous Validation. Opinions of stakeholders consulted were split over whether there was an effective mechanism for follow-up on recommendations. Civil society members argued that there was a lack of systematic follow-up on an ongoing basis with government entities. They considered that there was a lack of government commitment to follow-up on recommendations from EITI Reports in particular. Government MSG representatives however considered that the processes for following up were clear but that there had been a delay in many areas due to personnel changes in key reporting entities.</p>

	<p>Available evidence indicates that the mechanism for follow-up on EITI recommendations was established ad hoc for the purpose of preparing for this Validation, rather than as a basis for encouraging continuous learning and prioritisation of recommendations and corrective actions. The MSG undertook a five-day retreat in September 2021 to follow up on the recommendations of the EITI Reports and Validation, and to develop an action plan in view of the commencement of Validation, including responsibilities, expected output and deadlines. An ad hoc committee for Validation was charged with the follow-up and produced a report published on 1 February 2022 which includes an overview of the follow-up on corrective actions and recommendations from EITI Reports 2014-2018. There is no similar document from the follow-up on recommendations to the 2019 Report, which was published in March 2022. It remains unclear whether these ad hoc mechanisms will be further institutionalised by the MSG after this Validation, to ensure that follow-up on recommendations yield tangible reforms. In its comments on the draft assessment, the MSG disagreed with the Secretariat's view that the mechanism for follow-up on recommendations had been established in preparation for Validation rather than as a mechanism for regular follow-up and argued for at "fully met" (90 points), noting that successive EITI Mali work plans had included activities related to follow-up on EITI recommendations. The MSG also noted that its ad hoc committee had a mandate to undertake all activities to prepare for Validation and that the MSG could create committees at short notice to effectively respond to situations. The MSG's comments also noted that a report on follow-up on recommendations from the 2019 EITI Report was planned but delayed pending the dissemination of the 2019 EITI Report that was planned for September 2022 after the rainy season.</p> <p>The MSG has considered some of the recommendations from EITI Report in their work plan. Their work plan also refers to producing an overview of outstanding recommendations and corrective actions. The 2020 annual progress report contains an overview of the recommendations from previous EITI Reports, albeit without prioritisation of the different recommendations.</p> <p>However, there is no evidence of a regular review and prioritisation of recommendations from EITI Reports, studies and Validation aside from the EITI Report annex (which focuses on recommendations from the past EITI Report only) and the copy paste of that table into the annual progress report. The MSG does not appear to discuss follow-up on past EITI recommendations at its meetings, according to available meeting records.</p>
<p>Review the outcomes and impact of EITI implementation (Requirement #7.4)</p> <p><i>Mostly met (with considerable improvements)</i></p>	<p>The Secretariat's assessment is that Requirement 7.4 is mostly met, with considerable improvements since the previous Validation. Mali has published a comprehensive impact assessment in December 2020 and has addressed its progress on the work plan objectives in its 2020 annual progress report, both recommendations from the previous Validation. However, neither available documentation nor stakeholder consultations indicated evidence that MSG members consulted with their respective broader constituencies for input in reviewing the outcomes and impacts of the EITI, key to ensuring the public accountability of EITI implementation.</p> <p>On technical criteria, the 2020 annual progress report, published in November 2021, lacks a detailed overview on the progress on sub-requirements and does not include an updated overview and prioritisation of recommendations from</p>

	<p>EITI reporting, EITI studies and corrective actions. The 2020 annual progress report provides an overview of the activities undertaken in 2020 (and which were not) including the outcomes of those activities. The MSG did not adopt the 2019 annual progress report due to disagreements on the MSG (see <i>Requirement 1.4</i>). On the assessment of meeting the requirements, the 2020 annual progress report treats requirements in bulk (“Exploration and production”, “data collection” etc) and not individually as sub-requirements. The 2020 annual progress report contains an overview of progress in addressing the recommendations from EITI reporting and corresponding activities that have been undertaken and the status of progress for the recommendations of the 2014-2018 EITI Reports (and copies the status as listed in the reports, not as of the date of adoption of the annual progress report). Recommendations from other publications from EITI implementation like the impact study or the study on traceability of mining revenues on the local level are not recorded. A narrative report was published in February 2022 to include actions on the corrective actions of Mali’s 2019 Validation. The 2020 annual progress report includes an assessment of progress towards achieving the objectives set out in the work plan, but does not include a narrative overview of the impact and outcomes of progress towards the work plan objectives. The 2020 annual progress report includes an overview of the actual expenses per work plan activity, which contributes to the public accountability of the EITI. The annual progress report is available on the EITI Mali website and easily located. The annual progress report also includes an analysis of strengths and weaknesses of EITI implementation, and the activities needed to address the weaknesses. The 2020 annual progress report does not consider how gender considerations and inclusiveness have been taken into account.</p> <p>Additionally, the EITI published an impact report in November 2020 which concluded that the missing institutional anchoring and access to funding have weakened the EITI and are the main reasons for a lack of impact on governance, as well as the weak representation of the regions on the MSG. The report contains a range of requirements not only to improve communication around the EITI, but more largely to act as a “think tank” on reforms and as issuing targeted analyses drawing on disclosures on the sector to inform public debate. It is unclear how the recommendations from this report have been followed up upon. In its comments on the draft assessment, the MSG noted that plans to undertake another EITI impact assessment in the 2021 work plan had been delayed to the 2022 work plan, but that the ECOWAS sanctions against Mali in January 2022 had delayed this activity further. The MSG noted that it planned to carry out this study before the end of 2022 following the lifting of ECOWAS sanctions in July 2022. The MSG’s comments also noted that it was aware of the lack of dissemination of the findings of the 2020 impact report but noted that the 2022 work plan included as follow-up on a recommendation from the impact report the preparation of an institutional, organisational, financial and accounting audit. For these reasons, the MSG argued for “fully met” (90 points). However, the lack of consultations of broader constituencies for input in reviewing the outcomes and impacts of the EITI, as well as the lack of a detailed overview on the progress on sub-requirements and an updated overview and prioritisation of recommendations from EITI reporting, EITI studies and corrective actions, outweigh the MSG’s upcoming dissemination projects.</p>
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New corrective actions and recommendations

- In accordance with Requirement 1.5, Mali should ensure that the work plan is the outcome of consultations with broader government, industry and civil society constituencies. Mali EITI should ensure that the work plans are published in a timely manner and easily available on its website. To strengthen implementation, the MSG is encouraged to integrate into the work plan the recommendations from reporting, Validation and recommendations from studies commissioned by the EITI, it wishes to follow up in the given timeframe. Mali is encouraged to review the narrative of the work plan in the ways the EITI can play a more significant role in monitoring the application of the 2019 Mining Code and implementation of Government Decrees related to the publication of contracts, beneficial ownership transparency, environmental reporting and artisanal and small-scale mining.
- In accordance with Requirement 7.1, Mali should ensure regular active outreach and dissemination activities related to its EITI reporting with a view to ensuring that EITI reporting contributes to public debate. To strengthen implementation, Mali is encouraged to tailor its dissemination activities to the issues stakeholders are interested in, such as the extractive industries' economic contributions at the regional level, the environmental impact of mining and the monitoring of license allocations. Mali is encouraged to explore other means of communicating the results from EITI reporting and studies conducted by the EITI. Mali is encouraged to undertake capacity-building efforts with members outside of the MSG, in particular civil society, the parliament and the media, to improve the understanding of the findings of EITI reporting and online disclosures, and to encourage the use of the information for public debate.
- To strengthen implementation, Mali is encouraged to ensure that data from reports commissioned under the EITI is published in open format. To further encourage data use and analysis for informing public debate, Mali is encouraged to consider needs of different stakeholders on data from mining suppliers and artisanal and small-scale mining to support progress towards the objective of increasing transparency in the mining sector's contribution to the national economy. Mali is encouraged to proactively communicate the availability of extractive data in open format to potential data users in the statistics office, universities, and civil society groups.
- In accordance with Requirement 7.3, Mali should ensure that there is a robust mechanism in place for its EITI implementation to regularly consider and follow up on the recommendations resulting from EITI implementation, with a view to ensuring that implementation is a continuous learning process that contributes to policy-making, and ensures that recommendations are being followed up on throughout the year.
- In accordance with Requirement 7.4, Mali should ensure that broader government, industry and civil society constituencies have the opportunity to comment on the annual review of outcomes and impacts of EITI implementation. Civil society groups and industry involved in the EITI in particular should be able to provide feedback on the EITI process and have their views reflected in the annual review of impact and outcomes. In this annual review, Mali should include an assessment of progress towards meeting all EITI (sub-)requirements, and any steps taken to exceed the EITI Requirements. This should include any actions undertaken to address issues that the MSG has identified as priorities for EITI implementation in its work plan. To strengthen implementation, the MSG is encouraged to document how it has taken gender considerations and inclusiveness into account.

3. Stakeholder engagement

This component assesses EITI Requirements 1.1 to 1.4, which relate to the participation of constituencies and multi-stakeholder oversight throughout the EITI process.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p>Government engagement (Requirement #1.1)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 1.1 is mostly met, which represents back-sliding since the previous Validation. Several stakeholders consulted from different constituencies considered that the government was fully engaged in the EITI process despite the political volatility of the past two years, weaknesses in operational engagement of some entities and gaps in funding. The MSG's comments on the draft assessment emphasised these views. However, other stakeholders from all constituencies considered that there were weaknesses in the government's provision of resources, data and leadership in overcoming barriers to EITI implementation that meant that the objective was mostly met. The Secretariat's view is that the objective of full, active and effective government engagement is mostly met in the period under review.</p> <p>The 2019-23 action plan for the Mining and Petroleum Sector Development Policy cites EITI implementation under the first objective aimed at improving the governance of the extractive industries. The senior government lead for EITI implementation has consistently been the Minister of Mines, Energy and Water in the period under review. Minister of Mines Lelenta Hawa Baba Bah made public statements of support for the EITI when she chaired two MSG meetings in 2019-20, while Minister Lamine Seydou Traoré has done so in the September 2021 MSG meeting he chaired, which was covered in the press. There do not appear to be other public statements of support for the EITI from other government ministers during the period under review. Minister of Mines Traoré reiterated the government's commitment to the EITI in several meetings with the EITI International Secretariat in 2022.</p> <p>The government has taken steps to establish an enabling environment for EITI implementation, issuing several decrees to support EITI implementation in 2019 and 2021. The Ministry of Mines, Energy and Water has included a general reference to the EITI in the 2019 Mining Code (albeit not in its November 2020 implementing Decree) and in a February 2022 Decree establishing legal requirements for a public register of beneficial ownership data on extractive companies. The government has also taken steps to disclose data for both the EITI Report and disclosures on the Mali EITI website, for instance of 130 mining contracts, although the comprehensiveness of these disclosures has not yet been reviewed by EITI Mali (<i>see Requirement 2.4</i>).</p>

	<p>In terms of government operational engagement in the EITI process, there is evidence that the main entities (Ministries of Mines and of Finance) participate regularly in meetings. Attendance charts in the MSG's 'Stakeholder engagement' template show that most government MSG members attended around two thirds of (19) meetings in the period under review, while participation from the Prime Minister's Office, the Tax Office (DGI) and Parliament was weaker. There is evidence of limited engagement in the EITI dissemination activities, driven by the Ministry of Mines, Energy and Water. However, as the MSG's template notes, there is no mechanism for coordination or consultation with the broader government constituency. Government members of the MSG appear to follow up internally within their ministries, but without close coordination with other agencies. This was cited by several stakeholders as a constraint on consistent follow-up on EITI recommendations for reform (see <i>Requirement 7.3</i>).</p> <p>The Ministry of Mines, Energy and Water houses the Mali EITI Secretariat institutionally and physically. The government covers overhead costs such as rent, staff salaries as well as some outreach and dissemination activities. While the government had funded the production of EITI Reports up to the 2016 EITI Report, funding of EITI Reports has been covered by the World Bank since then. According to successive Mali EITI work plans over the 2019-22 period, the state's contribution to funding the EITI has declined from 63% of costs in 2019 to 29% (XOF 269.2m, around USD 41.8k) in 2022, while donor funding has risen from 35% of costs in 2019 to 70.44% (XOF 652.2m, around USD 101k) in 2022, with the World Bank's Mining Governance Programme since 2020. However, in practice, only around half the budgeted government funding for the EITI were actually disbursed in 2020 according to Mali EITI's 2020 annual progress report. Mali EITI's 2020 impact study notes that weaknesses in financial and institutional government support for the EITI were the main reason for shortfalls in work plan implementation and follow-up. Some development partners consulted expressed concern over the low level of funding from the government for EITI implementation. In its comments on the draft assessment, the MSG emphasised that the decline in funding for EITI was due to broader government budget cuts.</p> <p>While most technical aspects of Requirement 1.1 are addressed, the Secretariat's view is that weaknesses in the provision of funding for implementation, and in the coordination across agencies to strengthen follow-up on EITI recommendations, are gaps that need to be addressed for the objective of full, active and effective government leadership of the EITI process to be achieved. In its comments on the draft assessment, the MSG highlighted general activities in the 2022 work plan aimed at "strengthening stakeholder engagement in the EITI" and noted government plans in 2022 to undertake an audit of the mining cadastre system. However, the Secretariat's view is that, while these planned activities are welcome, the government's engagement in the EITI process has weakened in the period under review (2019-2022).</p>
<p>Industry engagement (Requirement #1.2)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 1.2 is mostly met, which represents back-sliding since the previous Validation. Some stakeholders consulted from civil society and development partners considered that the objective of full, active and effective industry engagement in the EITI process was mostly met given that only industry engagement in the EITI was limited to</p>

	<p>large-scale industrial miners and the Chamber of Mines. Industry stakeholders consulted considered that they were engaged in the process, including in participating in EITI dissemination events organised by the Mali EITI Secretariat. In its comments on the draft assessment, the MSG argued that all stakeholders considered that extractive companies were actively and effectively engaged in the EITI process.</p> <p>The mining industry constituency's representation on the MSG is defined as seven full and seven alternate members. These consist of representatives of four production license-holding companies, two exploration license-holders and one from the Chamber of Mines, appointed by consensus or by secret ballot. The constituency agreed a set of guidelines in 2018 to codify its nominations procedures, coordination and communication methods. In December 2018, the industry constituency held its MSG nominations, with around 40 companies convened by the Ministry of Mines, Energy and Water rather than by a private-sector body. In practice, the liaison within the constituency appears to be handled by the Mali EITI Secretariat, rather than by the Chamber of Mines, which has been the subject of controversy according to press coverage in Maliactu and Maliweb.</p> <p>Large-scale extractive companies have broadly participated in EITI reporting, with all but two of the material mining companies submitting their templates for the latest (2019) EITI Report. The Chamber of Mines was included in the MSG with the intention that it would represent the artisanal and small-scale mining sector. However, it appears that the Chamber has not been able to produce any information on the artisanal and small-scale mining sector for inclusion in Mali's EITI Reports to date. In its comments on the draft assessment, the MSG noted that the Chamber of Mines was tasked with following up on the roadmap on the formalisation of the artisanal mining sector.</p> <p>Beyond the provision of data for EITI reporting, industry MSG members and material companies have participated in some EITI dissemination and outreach. Industry MSG members have provided some input to the development of the EITI work plan and the MSG's review of outcomes and impact, although the broader industry constituency does not appear to have been regularly canvassed for views and input to the EITI process. In addition, the guidelines for industry coordination on EITI implementation do not appear to be yet fully implemented in practice.</p>
<p>Civil society engagement (Requirement #1.3)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 1.3 is mostly met. While the environment for free public expression has deteriorated since the second coup d'état, particularly in 2022 with the ban of certain international media, the assessment of Requirement 1.3 and adherence to the EITI protocol: Participation of civil society could be considered borderline between 'partly met' and 'mostly met', the Secretariat's view is that Mali's civil society is active and engaged and has provided evidence of recent public debate on topics of public interest. Thus, the Secretariat's assessment is that Requirement 1.3 is mostly met in the period under review. Additional analysis is available in Annex A.</p> <p>Civil society representatives on the MSG appear to be fully, actively and effectively engaged in the EITI process. Available documentation and stakeholder consultations indicate that civil society MSG members are a key</p>

	<p>driver of EITI implementation, including in the design of the EITI process, MSG discussions and EITI-related outreach and dissemination. Since the previous Validation, the civil society constituency has agreed and published a Code of Conduct to structure its nominations to the MSG and codify statutory requirements for regular consultations of the broader constituency. The last nominations to the MSG involved the two largest CSO umbrella organisations in Mali but led to the reappointment of the majority of civil society MSG members that have participated since the start of Mali's EITI implementation in 2007. The MSG's comments on the draft assessment argued that the civil society constituency was only established in 2019 and thus that three-year term limits (renewable once) should only apply from 2019 onwards. In practice, civil society has undertaken outreach and dissemination activities.</p> <p>There is less evidence of regular consultations with the broader civil society constituency on EITI implementation issues in practice. The majority of Bamako-based CSOs consulted considered that the coordination mechanisms were effective in practice. Yet some CSOs based in mining regions and not substantially engaged in the EITI process considered that there was little outreach to CSOs outside of the capital city. The MSG's comments argue that it was not possible to consult the more than 5,000 CSOs (this figure includes CSOs not active on topics related to the extractive industries) operating in Mali and note that workshops to canvass the broader constituency were hampered by broader constraints linked to the impact of the COVID-19 pandemic and political challenges since 2020.</p> <p>Despite constitutional and legal provisions ensuring freedoms of expression, operation and assembly, there is evidence of broader constraints in civic space in Mali. Arbitrary arrests of journalists in the context of the violent insurgency appear to have created conditions for self-censorship by journalists and civil society activists, as documented by the United Nations. The United Nations has also documented human rights abuses by the government armed forces and insurgents during this period. Bans on public demonstrations and violent dispersal of protests in 2020-22 have curbed civil society's ability to stage public demonstrations. While not related to direct government constraints, civil society's ability to access international funding has been severely impeded since January 2022, when international sanctions on Mali were enacted by UEMOA.</p> <p>There are significantly different views among stakeholders consulted on the extent to which these broader constraints have impacted civil society's engagement in the EITI process and public debate on natural resource governance. Most stakeholders from civil society, government and industry considered that these broader constraints had not impacted the broader civil society constituency's engagement in the 2019-22 period. The MSG's comments on the draft assessment argue that there are no government constraints on civil society's freedom of expression in relation to the EITI process or the extractive industries in general. They argue that the ban on certain foreign media had no bearing on EITI implementation in Mali. However, some development partners and a few community based CSOs not engaged in the EITI process but working on mining issues considered that the broader constraints had an impact on all CSOs working on extractive issues, given allegations of pervasive self-censorship due to fears of reprisals that could include disappearance or execution by officials of the transitional government. Some stakeholders consulted considered that there were direct</p>
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	<p>government restrictions on freedom of expression on topics of natural resource governance such as license awards and transfers, environmental impacts of mining and management of extractive industry revenues. There is no evidence however of systematic repressions by the government.</p> <p>The Secretariat's initial view was that there were credible allegations of self-censorship due to fear of reprisals from government officials that may affect members of civil society substantially engaged in the EITI process due to limited discussion on sensitive issues. There was no evidence of substantive public discussions in the public domain. During the commenting period, MSG civil society members conducted several debate formats to demonstrate their ability to discuss sensitive issues. The MSG, in its comments, highlighted a meeting between CSO members and the licensing authority (the DNGM) with the objective to understand the licensing process and confirm the absence of licenses granted to armed groups – the meeting was subject to a TV report; a public debate with journalists, CSO members and a technical advisor to the Minister of mines, where the opportunity was given to the audience to discuss freedom of expression and freedom of the press (including the cases of the international media that were suspended in Mali), contract transparency and license allocation, alleged licensing to armed groups, the transfer of the Yatela mine to the government, ASM and informal sector, the Chinese involvement in ASM, river pollution due to mining activities; as well as other radio or TV debates where similar topics were discussed. The Secretariat is therefore of the view that discussions on mining issues of public interest are possible.</p> <p>The Secretariat maintains the view that the proactive engagement of civil society MSG members must be weighed against the lack of evidence of meaningful consultations with the broader constituency, particularly in the regions hosting either industrial or artisanal and small-scale mining operations even if mobility constraints linked to the broader security situation must be acknowledged. Links between Bamako-based CSOs and civil society in communities affected by mining are weak, which affects representation in the EITI and appears due to CSOs' capacity and resource constraints as well as the broader security situation in many extractive regions. Civil society representatives consulted on the MSG did not consider that there was a need to refresh the constituency's MSG representation. Yet the lack of evidence of regular consultation and coordination mechanisms between Bamako-based CSOs engaged in the EITI process and community-based CSOs working on mining issues is a significant concern that was echoed by some community-based CSOs and several development partners consulted.</p> <p>In addition, the Secretariat has identified breaches of the EITI protocol: Participation of civil society related to expression (Provision 2.1). Civil society actors working at the community level on extractives-related issues have experienced harassment for expressing critical views. The evidence is not conclusive whereas the repression is systematic and must be understood in a context of significant violence linked to the anti-terrorist efforts. While the government's legal reforms to protect human rights defenders are welcome in practice, apparent impunity around extrajudicial killings and unlawful detention continues to pose challenges in practice.</p>
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<p>Multi-stakeholder group (Requirement #1.4)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 1.4 is mostly met, without considerable improvements since the previous Validation. Most MSG members consulted downplayed the breakdown in relations between the MSG and the National Coordinator in 2020-21 and considered that the objective of balanced multi-stakeholder oversight of implementation was fulfilled in the period under review. However, several CSOs expressed concern at the MSG's oversight of implementation, arguing that it did not constitute a platform for decision-making given relative disengagement from the other two constituencies. Other stakeholders consulted outside of the MSG from civil society and development partners considered that there was a lack of renewal in representation on the MSG in practice that caused the multi-stakeholder balance in oversight to weaken. Some non-MSG members considered that the 2020-21 crisis within Mali EITI had consumed significant MSG resources to resolve and it highlighted dysfunctions in the MSG's oversight of the National Secretariat. The Secretariat's view is that, while the MSG's oversight of implementation weakened during the 2020-21 crisis but appears to have improved after the crisis was resolved, the MSG's oversight has neither substantially weakened nor strengthened in the period under review as a whole and thus that the objective of balanced multi-stakeholder oversight of the EITI remains mostly met. In its comments on the draft assessment, the MSG argued strongly that the objective was fully met based on its perception that the three constituencies worked together closely, that the three constituencies were adequately represented on the MSG free of any coercion, that each constituency had clear guidelines for their engagement in the EITI, and that they provided effective oversight of the production of key EITI documents. As an evidence inclusiveness and consultation, the MSG has shared email exchanges between members of the extractive industries constituency. The correspondence, however, is only constituted by transfers of documents or meeting confirmations.</p> <p>The MSG's last comprehensive renewal of membership was confirmed by Ministerial Order in November 2019 (Arrêté 2019-3893/MMP-SG), after nominations by the three constituencies following formalisation of the industry and civil society MSG nominations procedures. Government MSG members were appointed in December 2019. However, the majority of civil society members of the previous MSG were nominated again, although this time with term limits under civil society's new constituency guidelines of a three-year term renewable once (these term limits were only effective from 2019 onwards). While industry included the Chamber of Mines as a MSG member to represent the artisanal and small-scale mining sector, the constituency's representation on the MSG appears to be limited to large-scale industrial mining activities in practice (see <i>Requirement 1.2</i>). The MSG proceeded with a renewal of MSG members from government and industry in February 2022, although renewal of civil society MSG members is scheduled to be undertaken in the third quarter of 2022.</p> <p>The MSG faced a crisis in its operations in late 2020 and early 2021, following a breakdown in trust between the majority of MSG members and the National Coordinator at the time. The then-National Coordinator proposed revisions to the Government Decree on EITI in early 2021 without consultations with the MSG, updates that aimed at enlarging the civil society constituency to trade unions and the national order of accountants and at removing the requirement for the National Coordinator to have the trust of the</p>
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	<p>MSG. The tensions between the MSG and the National Coordinator culminated in July 2021, when the MSG objected to the publication of the 2019 annual progress report given allegations that it included activities that had not been carried out in practice. Following the MSG's withdrawal of support for the National Coordinator, he was replaced in the third quarter of 2021 without the proposed new Government Decree on EITI being enacted.</p> <p>The MSG continued to operate on the basis of Terms of Reference codified in the latest (January 2019) updates to the Government Decree establishing the EITI. The MSG's internal rules (<i>règlement interieur</i>) were updated in February 2019 to reflect the new Decree. The updates include codification of the practice of per diem payments to MSG members, although they do not specify the level of per diems to be paid that is due to be formalised in an Inter-Ministerial Order (<i>arrêté</i>) by the Ministries of Finance and of Mines, although this has not been issued to date. The MSG's 'Stakeholder engagement' template notes that the level of per diems is set at XOF 10,000 (around USD 19) per MSG member per session, although successive Mali EITI work plans have referenced XOF 100,000 per member. Some stakeholders consulted outside the MSG (from civil society and development partners) considered that the Mali EITI per diem practices may have created at least the perception of conflict of interest as they noted the lack of meaningful renewal of MSG members as a potential indication of this risk, even if the level of per diems was not considered to be excessively high. Mali EITI's November 2020 impact study highlighted a lack of sufficient provisions in the MSG's internal rules related to requirements for MSG members to have sufficient capacity to undertake their functions, for them to regularly liaise with their broader constituencies and for MSG members to have the ability to table additional issues for discussion by the MSG. The 2020 impact study also highlighted the lack of sufficient institutionalisation of EITI implementation and funding constraints as key barriers to increasing the impact of EITI implementation in Mali.</p> <p>There appear to have been some deviations from the MSG's ToR in practice during the period under review. The MSG met once a quarter in 2019-22 and held an additional extraordinary meeting in 2020 and 2021 each. Decision-making by the MSG appears to have been mostly by consensus, aside from the July 2021 MSG vote on the 2019 annual progress report, which was based on simple majority voting. Attendance by a majority of MSG members appears to have been consistent during this period, although five of the 17 MSG members from government and four of the seven from industry have attended less than half of the MSG meetings, while all six full MSG members from civil society have consistently attended. There is little evidence of MSG members liaising with their broader constituencies, beyond some pre-Validation meetings undertaken by CSOs. Stakeholder consultations confirmed that the broader constituencies had not been consulted in the development of the annual EITI work plan or annual progress report. Several CSOs substantially engaged in the EITI process expressed concern at what they considered to be a relative lack of engagement from other constituencies on the MSG and considered that the MSG was not exercising sufficient oversight of implementation.</p> <p>The Secretariat's view is that the MSG has made efforts to address some of the corrective actions from the previous Validation, but that there have not yet been considerable improvements in the period under review. Following up on</p>
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	<p>a corrective action from the previous Validation, the industry and civil society constituencies have formalised MSG nominations procedures that are publicly accessible, which appear to have been followed in practice based on available documentation. However, consultations with stakeholders outside the MSG highlighted concerns at the lack of renewal of civil society MSG membership to strike a balance between the preservation of institutional memory and the inclusion of new stakeholders. Industry and civil society constituency coordination procedures set the expectation of regular consultations within the broader constituencies, yet there is little evidence of such regular contacts in practice. Thus, the Secretariat's view is that the technical aspects of Requirement 1.4 remain mostly met, as in the previous Validation.</p>
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New corrective actions and recommendations

- In accordance with Requirement 1.1, the government should ensure that it is fully, actively and effectively leading all aspects of the EITI process, including in the provisions of technical and financial resources for implementation, leadership in follow up on EITI recommendations and the provision of required data and quality assurances to ensure the robustness of EITI implementation. To strengthen implementation, the government may wish to consider further means of institutionalising the EITI process in government systematic disclosures, national laws and regulations, as well as in the government's budget-making process.
- In accordance with Requirement 1.2, the industry constituency should ensure that it is fully, actively and effectively engaged in all aspects of the EITI process and that it practices robust constituency coordination mechanisms that strengthen representation of the broader constituency, including actors involved in artisanal and small-scale mining, in the EITI process.
- In accordance with Requirement 1.3 and the EITI protocol: Participation of civil society, the government should ensure that civil society can express views related to any aspect of the EITI Standard, including the environmental impact of mining, without fear of reprisal. The MSG should discuss necessary measures to achieve this, involving key stakeholders such as state security agencies and civil society from communities affected by mining. The MSG and the civil society constituency are expected to discuss extractive industry issues considered sensitive but of public interest, both in the context of MSG meetings and in the EITI Mali's efforts to generate public debate on a more regular basis. The central government is expected to take appropriate measures to ensure that local governments respect freedom of expression and that any cases of violence or unlawful detention related to expression of views on natural resources are investigated and prosecuted. Civil society coalitions engaged in the EITI process should liaise with their broader constituency, including civil society in communities affected by mining. The constituency is expected to strengthen its representativeness by refreshing its representation on the MSG through a free, open and inclusive nomination process that strikes a balance between renewal of representation and preservation of institutional knowledge about the EITI process.
- In accordance with Requirement 1.4.a.ii, Mali should ensure that stakeholders are adequately represented in the EITI process, including in the MSG. Each stakeholder group must have the right to appoint its own representatives, bearing in mind the desirability of pluralistic and diverse representation. The nomination process must be independent and free from any suggestion of coercion. The multi-stakeholder group and each constituency should consider gender balance in their representation to progress towards gender parity. In accordance with Requirement 1.4.b, Mali should ensure that the Terms of Reference for its EITI MSG cover all aspects of Requirement 1.4.b, including provisions requiring MSG members to regularly liaise with their respective constituencies and to have sufficient capacity to undertake their duties. Where the MSG has a practice of per diems for attending EITI meetings, or other payments its members,

this practice should be transparent, the amount should be proportionate to actual costs and should not create conflicts of interest.

4. Transparency

This component assesses EITI Requirements 2 to 6, which are the requirements of the EITI Standard related to disclosure.

Overview of the extractive sector (Requirements 3.1, 6.3)

Overview of progress in the module

The Government of Mali provides limited systematic disclosures with overviews of the extractive industries, including significant exploration activities. The [website](#) of the Ministry of Mines, Energy and Water provides a cursory overview of the key extractive commodities in Mali, summaries of [feasibility studies](#) for three gold projects as well as a cadastral [portal](#) and a selection of mining [contracts](#), but no overview of ongoing or planned exploration activities. Credible international reports in late 2021 and early 2022 from the [Foreign Policy Research Institute](#), the [Center for Strategic and International Studies](#), the [European Council on Foreign Relations](#), and others noted allegations of prospection activities by Russian geologists linked to private military contractors in the regions of Koulikoro, Menankoto, and Sikasso in the past year. While this was confirmed through anecdotal evidence provided by certain civil society representatives from mining regions not substantially engaged in the EITI process as well as development partners, none of the stakeholders engaged in the EITI process considered that these allegations were true. There is no documented evidence of MSG discussions of these allegations. While Mali has used its EITI reporting to provide the most comprehensive overview of large-scale industrial mining exploration activities in the public domain, the lack of Mali EITI attention to exploration activities in the artisanal and semi-mechanised mining sectors is a significant concern given the estimates of significant gold production emanating from these sources (see *Requirement 3.2*).

Mali has used its EITI reporting to disclose information on the contribution of large-scale industrial extractive activities to the national economy in a context with few systematic disclosures of this information on government portals. However, Mali's EITI implementation has not yet addressed the economic contribution of artisanal, small-scale and semi-mechanised mining activities, despite the public availability of credible third-party estimates (including from the [OECD](#) in 2018) of artisanal and semi-mechanised gold production of between 20 and 40 tons a year. The lack of evidence of MSG discussions of informal mining activities beyond efforts to improve representation of the sector in EITI implementation through the Chamber of Mines is a significant concern given the significant public interest in this area of significant mining activity.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
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<p>Exploration (Requirement #3.1)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 3.1 is mostly met, which represents backsliding compared to the previous Validation. Stakeholders consulted considered that EITI reporting provided more transparency on exploration activities and considered the objective broadly met, even though many stakeholders from different constituencies highlighted the importance of artisanal mining and the role of Chinese investors. The Secretariat's view is that the objective is mostly met, given that Mali's EITI reports focus on the industrial mining sector, while estimates of the artisanal and semi-mechanised mining sector's contribution to total industrial gold mining production annually is up to 50% (according to 2018 estimates from the OECD) and is not covered in Mali's EITI reporting. In its comments on the draft assessment, the MSG highlighted new regulations establishing artisanal and semi-mechanised mining corridors in 2019 and the inclusion of estimates of artisanal gold mining production sourced from the regional central bank in the 2019 EITI Report, equivalent to 8% of total production (6 tons in 2019). However, the MSG's comments do not explain the lack of disclosures either through the EITI Report or through systematic disclosures related to artisanal and semi-mechanised mining activities at least in the artisanal mining corridors beyond general estimates of aggregate production. The Secretariat's view is that the lack of even a general description of these activities presents a gap in progress towards the objective of transparency in mining activities.</p> <p>Mali's 2019 EITI Report provides an overview of the extractive industries, including significant deposits, companies in the sector and ongoing exploration activities by industrial mining companies. There are few systematic disclosures on government or company websites related to information on extractive activities. Mali has not used its EITI reporting to provide more information on the artisanal and semi-mechanised mining sector, which represents such a large share of Mali's total gold production and of exploration activities, nor on the implementation of efforts to formalise artisanal and semi-mechanised mining through the creation of artisanal mining corridors. There is no evidence in MSG meeting minutes that the MSG has considered allegations of mining prospecting and exploration linked to private military contractors and other armed groups, which have surfaced in the international press and reports by international think tanks.</p>
<p>Contribution of the extractive sector to the economy (Requirement #6.3)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 6.3 is mostly met, which represents backsliding compared to the previous Validation. Most stakeholders consulted from the three main constituencies considered that the objective of ensuring a public understanding of the extractive industries' contribution to the national economy had been fully met given their perception of the EITI focusing exclusively on large-scale industrial mining. However, some CSOs not engaged in the EITI process and development partners consulted raised concerns over the lack of EITI data on the contribution of artisanal and semi-industrial mining to the economy. Development partners also raised concerns over the lack of information on mining revenues net of VAT refunds to mining companies, with these government payments to mining companies estimated to total half the value of government gross revenues from mining. The Secretariat's view is that Mali has fully met the objective of transparency in the economic contribution of the extractive industries with regards to large-scale industrial mining activities, but that the significant gaps related to artisanal and small-scale mining are a</p>

	<p>significant gap given the estimated materiality of this sector in terms of production levels, the significant impact of these activities in mining regions, and the level of public interest in these issues.</p> <p>Mali has used its EITI reporting to centralise information on the extractive industries' contribution to the national economy. The 2019 EITI Report provides, in absolute and relative terms, the extractive industries' contribution to GDP, government revenues, exports and employment. Employment data is provided broken down by company, occupation and gender. Mali's EITI reporting provides an adequate overview of the location of the main extractive activities in the country. However, most of this information is only disclosed through EITI reporting, not yet through systematic disclosures by government and extractive companies. Of greater concern, Mali's 2019 EITI Report provides no reference to third-party estimates of the contribution of informal extractive activities to the economy, with estimates of the value of informal mining production ranging up to over half of industrial mining output (according to OECD estimates in 2018), despite the public availability of credible third-party estimates (see <i>Requirement 3.2</i>). Despite the 2016 EITI Report's recommendation for a dedicated study on artisanal and small-scale mining, the 2019 EITI Report notes that there has been no follow up on this recommendation and that this study has not been commissioned to date. In its comments on the draft assessment, the MSG notes the inclusion in the 2019 EITI Report of estimates from the regional central bank on artisanal gold mining production volumes of 6 tons and export values of XOF 121bn. The MSG's comments also explain the process for the reimbursement of VAT on imports for extractive companies and notes that the VAT offsets are one of the reasons for the discrepancies in reconciled financial data in the 2019 EITI Report. However, the lack of sufficient analysis of the contribution of artisanal and semi-mechanised gold mining to the economy and of estimates of the impact of VAT reimbursements on total government revenues from the extractive industries remain a concern and support the assessment that the objective of transparency in the contribution of the extractive industries to the economy is mostly met.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • In accordance with Requirement 3.1, Mali should ensure annual public disclosures of an overview of the extractive industries, including any significant exploration activities as well as significant developments in the artisanal, small-scale and semi-mechanised mining sectors. To strengthen implementation, Mali is encouraged to use its EITI implementation to reference third-party estimates of informal exploration and prospection activities, with a view to supporting the government's stated objectives of formalising the artisanal and semi-mechanised mining sector. • In accordance with Requirement 6.3, Mali should ensure public disclosures of information about the contribution of the extractive industries to the economy, covering estimates of informal sector activities, including but not necessarily limited to artisanal and small scale mining as well as potential mining activities by armed groups operating in Mali. To strengthen implementation, Mali is encouraged to use its EITI implementation to strengthen government and company systematic disclosures of information on the contribution of the extractive industries to the national economy, including to GDP, government revenues, exports and employment. 	

Legal environment and fiscal regime (Requirements 2.1, 2.4, 6.4)

Overview of progress in the module

Mali has continued to use its EITI reporting to provide a comprehensive overview of the main laws and regulations related to the legal environment and fiscal regime for the extractive industries (mining, oil and gas). This has included an overview of the major planned or ongoing reforms in the statutory oversight of the sectors, although has not yet extended to reviewing the implementation of recent reforms. The Government of Mali maintains a world-class official gazette (*journal officiel*) [website](#) which allows for searches of all editions by key terms. There is scope for Mali to use its EITI implementation to strengthen the government's systematic disclosures of ongoing and planned reforms in the legal environment and fiscal regime for the mining, oil and gas sectors, with a view to improving the accountability of the public reform process.

Mali has used its EITI implementation to publish over 100 contracts in the mining sector and the government's policy on the public disclosure of extractive contracts is formalised in the 2019 Mining Code. Mali has not yet used its EITI disclosures to provide a diagnostic of the practice of contract and license disclosures, with a view to ensuring the systematic disclosure of all new contracts and licenses awarded and amended since the start of 2021. There is also scope for the EITI to provide a mechanism for disclosures of the rules and practices related to the management of environmental impacts of mining and petroleum activities, building on the limited EITI disclosures on the legal framework related to environmental impacts to date.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p>Legal framework and fiscal regime (Requirement #2.1)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 2.1 is fully met. Stakeholders consulted broadly considered that the objective of public understanding of all aspects of the regulatory framework for the extractive industries had been fulfilled. The Secretariat's view is that the objective has continued to be fulfilled given Mali's use of its EITI disclosures to provide an overview of the legal and fiscal framework for the extractive industries, including with regards to mining sub-contractors, even if there is an opportunity to expand the use of EITI reporting to provide a diagnostic of the implementation of statutory laws and regulations in practice.</p> <p>Through EITI reporting, Mali has disclosed a summary description of the legal framework governing its extractive industries, including an overview of the roles of government agencies, levels of fiscal devolution, the tax regime applicable to the industries and a description of ongoing and planned reforms relevant to the sector in the period under review. The latter includes the implementation of the 2019 Mining Code which was implemented once regulations were enacted in</p>

	<p>November 2020. This change of Mining Code could provide opportunities for Mali to strengthen its systematic disclosure of the legal and fiscal framework, given provisions related to the EITI. Some development partners noted the significant VAT refunds to mining companies whose imports of goods were exempted from VAT and called for greater focus by Mali EITI on the implementation of VAT refund provisions in practice, noting the existence of an IMF technical assistance programme since 2021 focusing on tax exemptions in the mining sector. The Secretariat's view is that there is scope for Mali EITI to make a significant contribution to public debate and policy making on the issue of VAT refunds in the mining sector, both in terms of disclosures on the implementation of the fiscal regime and on the value of Mali's net government revenues from mining (see <i>Requirement 4.1</i>).</p>
<p>Contracts (Requirement #2.4)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 2.4 is partly met. The Secretariat's view is that the objective of transparency in extractive agreements is not fulfilled, given the lack of comprehensive review by Mali EITI of the specific gaps in contract and license disclosure to date and the lack of publication of most amendments to mining contracts, which constrain public understanding of the current terms of active mining contracts. In addition, while the government policy on contract transparency is codified both in the 2019 Mining Code and its implementing decree, the policy on license transparency does not seem to stand on similar solid grounds. Opinions of stakeholders consulted were split over the level of progress towards the objective. Several civil society stakeholders consulted considered that the objective was mostly met, given efforts to disclose a greater number of mining contracts in recent months, even if gaps in publication of certain documents remained. While industry representatives consulted did not express views on progress towards this objective, some government officials considered that the objective had been fulfilled due to the concrete plans by Mali EITI to ensure comprehensive publication of all mining contracts.</p> <p>While the 2019 Mining Code includes provisions for the publication of all mining contracts, including annexes, amendments and riders, it does not appear to cover mining licenses despite defining licenses as a separate category from contracts. The November 2020 implementing decree to the 2019 Mining Code indicates that the model contract template is available to the public. In its comments on the draft assessment, the MSG confirmed that the Mining Code codified the requirement for all mining contracts to be published. However, in the oil sector, there are no provisions to contract and license disclosure in the 2015 Hydrocarbons Code or its implementing regulations. On mining licenses, a standard clause within the licenses ("arrêtés") states that the license will be "registered, disclosed and communicated wherever there is need", which raises questions about the consistency of license disclosure. There is no evidence of a model license, nor of a comprehensive review by the MSG of the status of obligations contained in the licenses issued since January 2021.</p> <p>The 130 extractive contracts published on the Mali EITI website include 107 contracts awarded since 1 January 2021, although it is unclear whether this is comprehensive of all mining contracts awarded or amended since the start of 2021. The sole active petroleum contract has been published, including annexes and six amendments concluded between 2008 and 2022. Opinions of stakeholders consulted were split over whether there had been any new</p>

	<p>amendments to mining contracts were concluded since the start of 2021. The MSG has been transparent about gaps in publication of certain (unspecified) mining contracts awarded since the start of 2021, but has not yet published a comprehensive list of all active extractive licenses and contracts, including annexes, amendments and riders, indicating which have been publicly disclosed and which have not.</p> <p>The Mali EITI publication plan appears to only have consisted of a snapshot as of April 2021, rather than a systematic plan for publishing all new (or newly amended) contracts. While a number of mining contracts awarded since 2021 was published in March 2022, there is no publicly accessible comprehensive list of mining contracts and licenses that clearly identifies all contractual documents and confirm the public accessibility of all documents related to contracts and licenses awarded since the start of 2021. In its comments on the draft assessment, the MSG argued that all mining contracts had been published up to 1 April 2022 but that “some” annexes had not yet been published. The comments argued that a list of all mining contracts had been published on the EITI Mali website, although this list only covers 35 contracts.</p> <p>Thus, the Secretariat maintains concerns over the comprehensiveness of the list of contracts and notes the MSG’s confirmation that several annexes have not yet been publicly disclosed. The above list does not include licenses, or information how to access the full text thereof. In addition, the MSG’s comments noted the lack of clarity on the rules related to the public disclosure of petroleum contracts and licenses. The Secretariat’s view is that significant technical aspects of Requirement 2.4 remain outstanding.</p> <p>Further technical analysis of adherence to Requirement 2.4 is provided in Annex B.</p>
<p>Environmental impact (Requirement #6.4)</p> <p><i>Not assessed</i></p>	<p>The Secretariat’s assessment is that Requirement 6.4 remains not assessed, given that several encouraged aspects of this requirement remain to be addressed by Mali EITI. There was significant interest from civil society stakeholders consulted in the issue of environmental impact assessments, including their public accessibility and level of implementation, with most considering that Mali had yet to use its EITI implementation to make progress towards the objective of providing a public basis for assessing the adequacy of the regulatory framework and monitoring efforts to manage the environmental impact of extractive industries.</p> <p>Mali does not yet appear to have used its EITI reporting to disclose information on the management and monitoring of the environmental impact of the extractive industries. The 2019 EITI Report provides cursory references to laws and regulations that make reference to managing environmental impacts of extractive activities but does not provide additional information on either the statutory rules or practices related to environmental management and monitoring of extractive investments in the country. There is scope for expanding EITI disclosures in this area given the low level of systematic disclosures on government and company websites and the high level of public interest in the environmental impacts of mining in particular.</p>
<p>New corrective actions and recommendations</p>	

- To strengthen implementation, Mali may wish to use its EITI implementation to strengthen the government's systematic disclosures of ongoing and planned reforms in the legal environment and fiscal regime for the mining, oil and gas sectors, with a view to improving the accountability of the public reform process.
- In accordance with Requirement 2.4, Mali should disclose any contracts and licenses that are granted, entered into or amended from 1 January 2021. It is a requirement to include an overview of which contracts and licenses are publicly available. Mali should provide a list of all active contracts and licenses, indicating which are publicly available and which are not. For all published contracts and licenses, it should include a reference or link to the location where the contract or license is published. If a contract or license is not published, the legal or practical barriers should be documented and explained. Where disclosure practice deviates from legislative or government policy requirements concerning the disclosure of contracts and licenses, an explanation for the deviation should be provided.
- To strengthen implementation, Mali is encouraged to use its annual EITI implementation to disclose information on the management and monitoring of the environmental impact of the extractive industries, including an overview of relevant legal provisions and administrative rules as well as actual practice related to environmental management and monitoring of extractive investments. Mali could use the EITI to disclose information on regular environmental monitoring procedures, administrative and sanctioning processes of governments, as well as environmental liabilities, environmental rehabilitation and remediation programmes.

Licenses and property rights (Requirements 2.2, 2.3)

Overview of progress in the module

There is a diversity of stakeholders engaged in extractive activities in Mali, including extractive companies duly licensed by the national government (Ministry of Mines, Energy and Water), artisanal miners of Malian and Chinese origin operating on permits delivered by the municipal governments (mayors), and armed groups such as the al-Qaeda-linked *Jama'at Nasr al-Islam wal Muslimin* and *Islamic State in the Greater Sahara* operating in illegality. Cognisant of the semi-mechanised nature of some mining activities categorised as 'artisanal', the government has been implementing a strategy to formalise mining activities by creating 'artisanal mining corridors' (*'couloirs d'exploitation artisanale'*), where it licenses semi-mechanised mining activities. Mali has used its EITI implementation to focus on large-scale industrial mining activities to date. Despite including the Chamber of Mines in the MSG as a representative of the artisanal mining sector, Mali EITI has not moved forward with including references to credible third-party estimates of artisanal and small-scale mining in the country, nor followed up on its own recommendations (of the 2016 EITI Report) to undertake a dedicated study on ASM. Despite the EITI Board's mandate for this Validation to focus on licensing issues, which was communicated to the MSG ahead of Validation, there is no evidence that the MSG has openly discussed licensing issues that are publicly debated, from the alleged irregularities in the [Yatela mining license transfer](#), the delayed renewal of the B2 Gold license for the [Fekola mine](#), the financing of [artisanal mining activities](#), or (unsubstantiated) allegations of [mining rights awards](#) to armed groups. While this demonstrates the distance from the overall objective of transparency in licensing and contracting practices, there are also tangible gaps in Mali's adherence to technical aspects of Requirement 2.2, including with regards to describing the practices of the

transfer of the Yatela mine to state control in the year under review by the latest (2019) EITI Report. While the latest EITI Report covered a year when the 2019 Mining Code was not yet effective (its implementation started in November 2020), it will be crucial for Mali to use its EITI reporting to publicly document the practice of extractive rights awards under the new Mining Code in upcoming cycles of EITI reporting.

Mali maintains a modern mining cadastre portal based on the MCAS system of the Revenue Development Foundation, which provides all data listed under Requirement 2.3.b (aside from dates of application for two – now-cancelled – licenses). The cadastral system covers all mining rights awarded by the national government (DNGM and Ministry of Mines, Energy and Water) including small-, medium-, large-scale mining and quarrying licenses, but not artisanal mining licenses awarded at the subnational level. While allegations of so-called ‘secret’ mining rights awards outside of the statutory license allocation process since 2021 remain unsubstantiated, the lack of the MSG’s own follow up on recommendations from the 2017 EITI Report to undertake a review of the comprehensiveness and reliability of mining license lists maintained by different government entities (e.g., the DNGM and the CPS) (as documented in the 2019 EITI Report’s review of follow-up on past EITI recommendations) is a significant concern. Nonetheless, all extractive licenses awarded by the national government appear to be covered by the cadastral portal and, for oil and gas licenses, systematic disclosures. Information listed under Requirement 2.3.b is available for all licenses held by material companies. There is scope for expanding Mali’s use of EITI implementation to improve the comprehensiveness and reliability of license data, particularly related to artisanal and semi-mechanised mining activities.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p>Contract and license allocations (Requirement #2.2)</p> <p><i>Partly met</i></p>	<p>The Secretariat’s assessment is that Requirement 2.2 is partly met. While the MSG made efforts to address corrective actions from the previous Validation, it has not discussed license and contract allocations and transfers that have been the centre of public debate, such as the transfer of ownership of the Yatela mine to the state in 2019 (discussed by civil society) or the semi-industrial nature of operations on many artisanal and small-scale permits, of key relevance to the government’s mining formalisation strategy through the creation of ‘artisanal mining corridors’ (<i>‘couloirs d’exploitation artisanale’</i>). There is no evidence that Mali EITI has expanded the coverage of its EITI reporting to semi-mechanised mining licenses granted by the Ministry of Mines, Energy and Water (in consultation with the relevant mayors). The lack of discussion of these licensing issues within the framework of Mali EITI is a significant concern and hinders a comprehensive assessment of whether statutory procedures for awarding and transferring mining rights are followed in practice. In its comments on the draft assessment, the MSG noted that it had reviewed the materiality of payments associated with artisanal and small-scale mining licenses and had concluded that they were not material, but that the 2019 EITI Report had nonetheless</p>

	<p>provided the government's unilateral disclosure of revenues from companies holding such licenses. The MSG's comments did not clarify the reasons why it did not review the practices of awards and transfers of artisanal and small-scale mining licenses, however. The comments noted that artisanal mining activities were only allowed in artisanal mining corridors and that artisanal mining activities in other areas were entirely informal.</p> <p>Most stakeholders consulted from all constituencies considered that the objective of transparency in licensing practices was achieved through Mali's EITI reporting. In its comments on the draft assessment, the MSG highlighted the separate note it published on its review of a sample of mining license awards in December 2019. However, there are still concerns over the comprehensiveness and reliability of the MSG's assessment non-trivial deviations in contract and license awards and transfers in 2019, given the exclusion of certain awards and transfers from the MSG's sample of licenses analysed and the lack of information on the methodology adopted for identifying non-trivial deviations from statutory procedures.</p> <p>The Secretariat's view is that there remain both technical gaps in disclosures related to reviewing licensing practices, and still much distance from the objective of transparency in licensing practices given the lack of Mali EITI attention to important public debates related to the mining sector, such as license transfers and renewals that have been the subject of public debate. Additional analysis is provided in Annex B.</p>
<p>Register of licenses (Requirement #2.3)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 2.3 is fully met. Most stakeholders consulted from all constituencies considered that the objective of transparency in extractive property rights had been achieved through the real-time updates to the mining cadastral portal and 2019 the EITI Report's coverage of the sole active petroleum license. However, development partners consulted expressed strong reservations and considered that the objective was partly met, due to allegations of the potential award of mining rights to armed groups through secret agreements that were not reflected on the cadastral portal. However, these two stakeholders did not provide any documented evidence or categorical confirmation that such secret agreements awarding mining rights had in fact been concluded as of the commencement of Validation (1 April 2022). The Secretariat's view is that the objective is fulfilled given the public availability of information on all licenses held by material companies.</p> <p>Mali has used its EITI reporting to provide an overview of the Ministry of Mines, Energy and Water's mining cadastral system, although it has not yet undertaken a review of the comprehensiveness of the cadastre. The cadastral portal provides all information listed under Requirement 2.3.b for the 2,644 mining licenses active at the commencement of Validation. Most stakeholders consulted from all constituencies categorically rejected the allegation that there were 'secret' agreements awarding mining rights to armed groups. The Secretariat considers that the lack of sufficient MSG follow-up on previous (2017) EITI Report recommendations to review the comprehensiveness and reliability of license data in the mining cadastre (given differences in mining license information from the DNGM and the CPS), combined with a lack of discussion of media allegations of so-called 'secret' mining license awards at the MSG level, is a concern, although this is covered under Requirement 2.2. A review of a random sample of licenses in the mining cadastral portal indicates that there appear to be some</p>

	<p>inconsistencies in the license data, with the dates of award of several licenses pre-dating the related dates of application. However, these licenses are not held by material companies.</p> <p>With regards to oil and gas licenses, the Secretariat continues to consider that the lack of information on the date of application for Block 25 remains a marginal gap, in line with the assessment in the previous Validation. In addition, most other information listed under Requirement 2.3.b can be reconstituted based on publicly-accessible information, and the current date of expiry of the sole active petroleum license does not remain unclear anymore as per the codicil shared by the MSG in its comments. The MSG's comments on the draft assessment noted the recent publication of the amendment to the sole oil and gas contract that extended its period of validity to March 2025. Additional analysis is provided in Annex B.</p>
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New corrective actions and recommendations

- In accordance with Requirement 2.2, Mali should ensure that information on mining, oil and gas license transfers is publicly disclosed, including the identity of licenses transferred and the process for transferring licenses, including technical and financial criteria assessed and an assessment of any material deviations from the applicable legal and regulatory framework governing license transfers and awards in the period under review by EITI reporting. The MSG is urged to consider public allegations of mining rights awards to armed groups made outside of the statutory framework for contract and license allocations. Where companies hold licenses that were allocated prior to the period covered by EITI implementation, Mali is encouraged to disclose the information set out in Requirement 2.2.a on those license awards. To strengthen implementation, Mali EITI may wish to include additional information on the allocation of licenses as part of the EITI disclosures and is encouraged to include commentary on the efficiency and effectiveness of licensing procedures, and a description of procedures, actual practices and grounds for renewing, suspending or revoking a contract or license. To strengthen implementation, Mali is encouraged to consider following up on past Mali EITI recommendations to undertake a dedicated study of artisanal and small-scale mining with a view to increasing transparency in licensing practices in this segment of the extractive industries that garners significant public interest.
- To strengthen implementation, Mali is strongly encouraged to ensure that its publicly-accessible mining cadastre system includes information about licenses held by all entities, including companies and individuals or groups that are outside the agreed scope of EITI implementation, and is urged to follow up on recommendations from past Mali EITI Reports to resolve discrepancies in active mining lists across different government departments such as the National Geology and Mining Department (DNGM) and the government's Mining and Energy Sector Planning and Statistics Cell (*Cellule de Planification et de statistique du secteur mines et énergie* – CPS). Any significant legal or practical barriers preventing such comprehensive disclosure covering all extractive rights including artisanal mining permits should be documented and explained, including an account of government plans for seeking to overcome such barriers and the anticipated timescale for achieving them.

Beneficial ownership (Requirement 2.5)

Overview of progress in the module

Adherence to Requirement 2.5 on beneficial ownership is assessed in Validation as of 1 January 2020 as per the framework agreed by the Board in June 2019.³ The assessment consists of a technical assessment focusing on full criteria and an assessment of effectiveness in accordance with Phase 2 of the assessment framework.

Technical assessment

The technical assessment is included in the Transparency template, in the tab on Requirement 2.5. It shows that Mali has made progress on some, but not all, of the initial criteria assessed in Phase 1 of the Validation framework for beneficial ownership transparency in force until December 2021. Given that this Validation is conducted under Phase 2 of the beneficial ownership Validation framework, there are significant aspects of Requirement 2.5 that remain outstanding.

Mali has recently established a legal and regulatory framework for the collection of beneficial ownership data on extractive companies, but has not yet fully implemented these legal provisions by systematically collecting and publicly disclosing beneficial ownership data from all companies applying for or holding extractive licenses. Mali has used its EITI reporting to pilot the country's only public disclosures of both legal and beneficial ownership information on extractive companies. In practice, beneficial ownership information has only been disclosed for one mining company to date following EITI Mali's request for such data from all 26 material companies in the 2019 EITI Report. Mali's EITI reporting provides general information on 14 mining companies that are subsidiaries of publicly listed companies, such as the name of the stock exchange where the head company is listed, but lists specific references to the company's stock exchange filings for only five of the 14 companies. Mali EITI has published information on the legal ownership of 19 extractive companies, but there does not appear to be a publicly available company register or other public source disclosing information on legal owners of all extractive companies operating in Mali. The [website](#) of the Commercial and Mobile Credit Register (*Registre du Commerce et du Crédit Mobilier* – RCCM) of the Commercial Court of Bamako does not disclose information on legal owners of companies online. Despite provisions of the 2019 Mining Code requiring the systematic collection of beneficial ownership information from all companies applying for a mining license, stakeholder consultations confirmed that beneficial ownership data had not yet been systematically collected from all companies applying for extractive licenses and contracts, either directly by the Ministry of Mines, Energy and Water or through EITI reporting.

Assessment of effectiveness

Mali EITI has not yet published an assessment of the comprehensiveness and reliability of beneficial ownership data collected and disclosed to date. The MSG does not appear to have yet agreed on a categorisation of 'high risk' extractive companies in its beneficial ownership work.

Mali has undergone mutual evaluations by the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA) in [September 2008](#) and [November 2019](#), with follow-up

³ <https://eiti.org/document/assessing-implementation-of-eitis-beneficial-ownership-requirement>.

reports in [2009](#), [2020](#), [2011](#), [2012](#), [2013](#), 2014 and [2015](#). The latest evaluation in 2019 highlighted the lack of systematic collection and storage of beneficial ownership information by the RCCM, and raised concerns over the lack of systematic collection of beneficial ownership information from companies at the time (in 2019). Mali was assessed as ‘partly compliant’ with Recommendation 25 on transparency of beneficial owners of legal entities in the 2019 mutual evaluation report. Mali was categorised by the [Financial Action Task Force](#) as a jurisdiction with strategic deficiencies and placed on the so-called ‘grey list’ as of October 2021, where it remains as of June 2022.

While new legal provisions requiring the collection of beneficial ownership information from extractive companies have been enacted since 2019, including in the 2019 Mining Code and the February 2022 Decree on beneficial ownership transparency of extractive companies, these do not yet appear to have been implemented in practice. The RCCM is the entity designated in Decree [2022-0107/PT-RM](#) as responsible for developing a public beneficial ownership register covering extractive companies. However, government stakeholders consulted noted that funding had not yet been secured to develop the register, even if several officials considered that the register would be developed and launched in 2022.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p>Beneficial ownership (Requirement #2.5)</p> <p><i>Partly met</i></p>	<p>The Secretariat’s assessment is that Requirement 2.5 is partly met. Stakeholders consulted from various constituencies considered that the objective of transparency in the beneficial ownership of extractive companies was mostly met. In its comments, the MSG argued for an upgrade to “fully met”, asking to consider the efforts made in a particularly difficult context of insecurity. The Secretariat’s view is that, while an enabling legal and regulatory environment for the collection and public disclosure of beneficial ownership information from extractive companies has recently been established, the objective is not fulfilled given the lack of systematic collection and disclosure of beneficial ownership information from all extractive companies and the lack of review by Mali EITI of the status of collection and disclosures of this information to date.</p> <p>Mali has used its EITI implementation to drive reforms in the regulatory framework for the collection and disclosure of beneficial ownership data from extractive companies. The government included provisions requiring the collection of beneficial ownership information from companies applying for mining licenses in the 2019 Mining Code and issued Decree 2022-0107/PT-RM in February 2022 requiring the collection and disclosure of beneficial ownership information from all extractive companies. Mali has used its EITI reporting to provide a cursory description of the legal framework for beneficial ownership transparency, and to pilot public disclosures of legal and beneficial ownership information. However, in practice only one mining company has</p>

	<p>disclosed its beneficial ownership information and information on disclosures to their respective stock exchanges for 5 of the 14 material mining companies that are subsidiaries of publicly listed companies. In its comments on the draft assessment, the MSG shared the declarations of beneficial owners of three additional companies. It seems, however, that what has been disclosed by the three companies was legal rather than beneficial owners. The MSG also noted that mining companies that were subsidiaries of publicly listed companies accounted for 99.48% of government extractive revenues in 2019 and thus argued that it considered that the disclosure of ownership information was sufficiently comprehensive. However, it is important to remember that the scope of Requirement 2.5 on beneficial ownership covers all companies holding or applying for extractive licenses, irrespective of the materiality of payments to government from each company.</p> <p>The government does not yet appear to have systematically requested and disclosed beneficial ownership information from all companies applying for or holding an extractive license. Mali EITI does not yet appear to have published a review of the comprehensiveness and reliability of beneficial ownership information collected and disclosed to date. Information on legal owners does not appear to be publicly available for all extractive companies. Given that several aspects of the criteria assessed in Phase 1 of the beneficial ownership Validation framework in force up to December 2021 as well as criteria assessed in Phase 2 have not yet been addressed, the Secretariat's view is that significant aspects of Requirement 2.5 have not yet been addressed.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • In accordance with Requirement 2.5, Mali is required to publicly disclose the beneficial owners of all companies holding or applying for extractive licenses. To achieve this target, Mali should implement national legal provisions that require the government to request all companies applying for and holding oil, gas and mining licenses to disclose beneficial and legal ownership information and provide adequate assurances for data reliability. The government is encouraged to implement provisions in Decree 2022-0107/PT-RM related to establishing a public register of beneficial owners of all extractive companies operating in Mali. An assessment of the comprehensiveness and reliability of beneficial ownership information on extractive companies should be published by the MSG. 	

State participation (Requirements 2.6, 4.2, 4.5, 6.2)

Overview of progress in the module

Despite recent political calls for raising Malian participation in mining projects, at present the government continues to exercise only minority equity participations in mining companies at the production stage. Most EITI Requirements related to state participation continue to be not applicable to Mali in the period under review, although Mali has continued to use its EITI disclosures to provide information on the state's minority equity participations in companies holding mining production contracts and licenses.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p>State participation (Requirement #2.6)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 2.6 is fully met. There was consensus among stakeholders consulted that the state did not hold majority interests in extractive companies and that the state had not provided any loans or guarantees to extractive companies in the period under review (2019-22). The Secretariat's view is that the objective has been fulfilled given EITI Mali's disclosures on the state's minority interests in mining companies. Dividend payments from mining companies in which the state holds a minority equity participation are covered as conventional company payments to government (see <i>Requirement 4.1</i>).</p> <p>Mali's 2019 EITI Report confirms the lack of any state-owned enterprise in the extractive industries in the year under review. However, it describes the state's entitlement to a 10% equity interest in all mining production license-holders, with the option to acquire an additional interest of up to 20% on commercial terms. All state equity participations in extractive companies are provided in the report, which also provides sufficient information to determine the terms attached to the state's equity interests in each company. The 2019 EITI Report confirms that the state's 10% equity interest in mining production holders gave rise to material payments to government in 2019, and comprehensively discloses and reconciles these payments to government. Given that there were no extractive SOEs operating in the extractive sector, significant aspects of this requirement are not applicable in Mali. However, EITI Mali has disclosed information on the terms attached to state minority equity participation in the extractive industries in accordance with the applicable provisions of Requirement 2.6.</p> <p>Development partners consulted raised concerns over the ad hoc nature of management of state interests in mining companies and delays in company submission of financial reports to the state. While there is evidence that the IA requested information on any loans from reporting entities in preparing the 2019 EITI Report, the report itself does not contain any conclusions about the existence of any loans or guarantees from the state to extractive companies, nor the terms attached to any such loans or guarantees if applicable. Nonetheless, stakeholder consultations confirmed the lack of any state loan or guarantee to any extractive companies outstanding in 2019.</p>
<p>Sale of the state's in-kind revenues (Requirement #4.2)</p> <p><i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 4.2 is not applicable in Mali in the period under review, as in the previous Validation. Mali's 2019 EITI Report confirms that the state did not collect any in-kind revenues in the period under review, given that the oil sector was still at the exploration stage.</p>
<p>Transactions related to state-owned</p>	<p>The Secretariat's assessment is that Requirement 4.5 is not applicable in Mali in the period under review, as in the previous Validation. Mali's 2019 EITI Report</p>

enterprises (Requirement #4.5) <i>Not applicable</i>	confirms that there were no state-owned enterprises in the extractive industries in the period under review. The report describes the state's entitlement to equity interests in mining production license-holders, although the revenue flows to which such equity interests give rise are covered as payments from private extractive companies to the state (see <i>Requirement 4.1</i>).
Quasi-fiscal expenditures (Requirement #6.2) <i>Not applicable</i>	The Secretariat's assessment is that Requirement 6.2 is not applicable in Mali in the period under review, as in the previous Validation. Mali's 2019 EITI Report confirms that there were no state-owned enterprises in the extractive industries in the period under review. Although the EITI Report does not specifically comment on the MSG's review of quasi-fiscal expenditures funded by extractive revenues, the Secretariat understands that there could not have been any quasi-fiscal expenditures as defined in Requirement 6.2 in 2019 given the lack of SOEs in the extractive industries.
New corrective actions and recommendations	
<ul style="list-style-type: none"> To strengthen implementation, Mali is encouraged to reconsider on an annual basis the existence and materiality of state participation in the extractive industries, either through direct equity participations or through debt financing (loans and guarantees), with a view to achieving the same degree of transparency as for conventional company payments to government disclosed through EITI reporting. Where state participation gives rise to material government revenues, Mali should ensure that all aspects of Requirement 2.6 are comprehensively addressed. 	

Production and exports (Requirements 3.2, 3.3)

Overview of progress in the module

Mali has used its EITI reporting to provide a diagnostic of official government data on production and exports of mineral commodities produced through large-scale industrial mining. In the period since the previous Validation, it has continued to reconcile production and export data between mining companies and the government, namely the National Geology and Mines Department (DNGM) for production data and the Customs Department (DGD) for export data. This annual exercise has identified significant initial discrepancies, although most of the initial discrepancies have been resolved through adjustments in the latest (2019) EITI Report. Despite significant public interest echoed in consultations with civil society in the methodology and systems used for calculating production and export data, Mali does not appear to have yet used its EITI reporting to strengthen public disclosures related to government systems for overseeing production and export data.

Of greater concern, Mali has not yet used its EITI reporting to meaningfully improve public disclosures of production and export data for gold produced through artisanal, small-scale or semi-mechanised mining. Mali EITI does not appear to have yet followed up on recommendations from the 2016 EITI Report to commission a dedicated study of artisanal mining in Mali. While the MSG included the Chamber of Mines as a member in order to provide representation for the artisanal and small-scale mining sector (see *Requirement 1.4*), the Chamber of Mines does not

appear to have provided any data on artisanal and small-scale mining for EITI reporting purposes. Estimates of artisanal gold mining production vary widely, from government [estimates](#) of 6 tons per year to third-party estimates of 26 tons according to the [Institute for Security Studies](#) and 20-40 tons according to the [OECD](#). A significant share of these informal gold exports are reportedly destined for the United Arab Emirates, as reported in the international press (e.g., by [Reuters](#) based on 2016 data) based on official trade statistics.

While Mali has used its annual EITI reporting to disclose information on production and exports related to the large-scale industrial mining sector, the lack of meaningful disclosures or references to credible third-party estimates related to artisanal, small-scale and semi-mechanised gold mining is a significant concern given the significance of such output and its linkages to environmental impacts and the financing of armed groups in Mali. Thus, the Secretariat's view is that the objective of transparency in extractive commodity production and export data is mostly, but not yet fully, achieved.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p>Production (Requirement #3.2)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 3.2 is mostly met, which represents backsliding since the previous Validation. Several civil society representatives consulted considered that the objective of ensuring public understanding of extractive commodity production levels was mostly met given concerns over the reliability of official government production data. Several development partners raised significant concerns over the comprehensiveness of official government production data, given allegations of annual gold production from artisanal and semi-mechanised mining in the 20-40 ton range. Industry and government stakeholders consulted considered that the objective had been fulfilled through EITI reporting, given their conception of the focus of Mali EITI implementation on large-scale industrial mining. The Secretariat's view is that the objective is mostly met given the existence of estimates of significant gold produced through artisanal and semi-mechanised mining that have not been discussed by Mali EITI to date. In its comments on the draft assessment, the MSG argues for an upgrade to 90 points and notes again the establishment of artisanal and semi-mechanised mining corridors in 2019 and the provision of the regional central bank's estimates of artisanal gold mining production volumes equivalent to 8% of total production in the 2019 EITI Report. However, the concerns of several stakeholders consulted over the comprehensiveness of production data provided in the 2019 EITI Report, combined with the lack of estimates of artisanal gold mining production values in the EITI Report (which only provides estimates of export values) remains a concern and supports the assessment that the objective of transparency in production data has only been mostly fulfilled. The MSG indicates that the regularization and oversight of the</p>

	<p>artisanal and semi-mechanised mining sector are challenges that affect many African countries including Mali.</p> <p>Mali has used its EITI reporting (most recently for 2019) to compare official government production data (volumes and values) with disclosures from mining companies within the scope of EITI reporting. The data is disaggregated by company, and therefore de facto by mine for all companies. Several civil society stakeholders raised concerns over the significant discrepancies in the reconciliation of production data between extractive companies and the government in the 2017 and 2018 EITI Reports, but welcomed the resolution of most discrepancies in the 2019 EITI Report. However, they called for more transparency on the reasons for initial differences in production data between companies and government, as they considered that this revealed weaknesses in government record-keeping since the government's production data was only based on self-reporting by extractive companies. Several industry stakeholders consulted called for more information on artisanal and semi-mechanised gold mining through Mali's EITI disclosures. Despite the 2016 EITI Report's recommendation for a dedicated study on artisanal and small-scale mining, the 2019 EITI Report notes that there has been no follow up on this recommendation and that this study has not been commissioned to date. Mali has not yet used its EITI reporting to disclose estimates of informal mining, nor to disclose additional information on the methods for tracking and calculating production volumes and values. Several stakeholders from all constituencies noted that around half of the discussions at EITI dissemination and outreach events focused on artisanal and small-scale mining issues, which reflected the high public demand for any further information on these activities. Several civil society stakeholders consulted expressed significant interest in strengthening Mali EITI disclosures about the methodology for calculating official production data.</p>
<p>Exports (Requirement #3.3)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 3.3 is mostly met, which represents backsliding since the previous Validation. Several government and industry stakeholders consulted considered that the objective of ensuring public understanding of extractive commodity export levels had been fulfilled given their view that Mali EITI disclosures focused on large-scale industrial mining and that there were no reliable estimates of informal exports available in the public domain. Some CSOs consulted highlighted the existence of extensive informal exports of gold from Mali, including both gold produced from artisanal and semi-mechanised mining in Mali and gold imported from neighbouring countries. However, they considered that the objective had been fulfilled given Mali EITI's referencing of official government export data. Several development partners consulted considered that the lack of Mali EITI disclosures on estimates of informal gold exports was a significant gap, given estimates of informal annual gold exports in the 20-40 ton range. The Secretariat's view is that the lack of Mali EITI disclosures referencing estimates of informal gold exports is a gap that means the objective is for now mostly met. In its comments on the draft assessment, the MSG argues for an upgrade to "fully met" and notes again the establishment of artisanal and semi-mechanised mining corridors in 2019 and the provision of the regional central bank's estimates of artisanal gold mining production volumes equivalent to 8% of total production in the 2019 EITI Report. However, the concerns of several stakeholders consulted over the comprehensiveness of export data provided in the 2019 EITI Report remains a</p>

	<p>concern and supports the assessment that the objective of transparency in export data has only been mostly fulfilled.</p> <p>Mali's 2019 EITI Report discloses the reconciliation of mineral export data (volumes and values) disclosed by mining companies in the scope of EITI reporting and by the Director General of Customs. The data disclosed is disaggregated by company, but not clearly by project or location. Mali has not yet used its EITI reporting to disclose the methods used for tracking and calculating export data for its mineral commodity exports. Several stakeholders from all constituencies highlighted credible allegations of extensive smuggling of gold produced in neighbouring countries into Mali, which was re-exported as Malian gold. They noted that there was a fiscal incentive for exporting gold from Mali, given the imposition of export taxes on the first 50kg of gold exported from Mali only by each exporter, as confirmed in coverage in the press and academic publications. Several CSOs consulted noted PWYP International plans to commission a study on informal gold export flows, which were postponed in 2021 due to the impact of the COVID-19 pandemic.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • In accordance with Requirement 3.2, Mali must disclose timely production data, including production volumes and values related to artisanal, small-scale and semi-mechanised gold mining. To strengthen implementation, Mali is encouraged to publicly disclose the sources and methods for calculating production volumes and values. • In accordance with Requirement 3.3, Mali must disclose timely export data, including estimates of export volumes and values for informal extractive commodity exports. To strengthen implementation, Mali is encouraged to publicly disclose the sources and methods for calculating export volumes and values. 	

Revenue collection (Requirements 4.1, 4.3, 4.4, 4.7, 4.8, 4.9)

Overview of progress in the module

Mali has used its annual EITI reporting to disclose information on company payments and government revenues from the mining, oil and gas sector, focusing on the extractive companies making the largest payments to government. Mali has sustained its conventional approach to EITI reporting based on reconciliation throughout the COVID-19 pandemic. Mali has also continued to include the largest mining sector sub-contractors in the scope of reconciliation since the previous Validation, although challenges in tracking tax payments from sub-contractors have caused significant discrepancies in the reconciliation of these payments to government. There has been a weakening of government disclosures of extractive revenues since the previous Validation however, with delays and incomplete reporting by the Customs Department raising questions over the comprehensiveness of Mali EITI disclosures of government extractive revenues for 2019. Despite significant interest in tax refunds by the government to extractive companies on the part of development partners, in the context of a new IMF technical assistance programme in 2021 focusing on the impact of tax incentives in the mining sector, Mali EITI has continued to focus only on gross government extractive revenues. Given estimates (including

from the [IMF](#)) that refunds of VATs on imported goods and services (e.g., fuel) by mining companies total around one third of gross government mining revenues every year, there is scope of Mali EITI to expand the scope of its disclosures to support public debate and policy-making on managing the impacts of tax incentives in the mining sector.

There have been allegations in the international press of resource-backed purchases of military goods and services under negotiation by the government since late 2021. There is no evidence of the MSG's discussion of the existence of any barter-type arrangement or of the applicability of Requirement 4.3 in available minutes of its meetings. While there is no evidence of any agreement, or sets of agreements, in force in 2019 or thereafter that involve the provision of goods and services (including loans, grants and infrastructure works), in full or partial exchange for oil, gas or mining exploration or production concessions or physical delivery of such commodities, some international media coverage from late 2021 and early 2022 (for instance in [Le Monde](#), [Arab Weekly](#), [Brookings Institute](#), [CSIS](#), [European Council on Foreign Relations](#)) indicates allegations of the state's intention to grant mining rights to foreign military contractors in exchange for the provision of goods and services related to military training and contract services. Nonetheless, none of the stakeholders consulted provided any clear allegations that such barter-type arrangements had been concluded as of the date of stakeholder consultations (May-June 2022). Thus, the Secretariat's view is that Requirement 4.3 remains not applicable in the period under review, although annual review of the existence and materiality of any new barter-type arrangement should be prioritised given the debates in the international press. Likewise, there is no indication that the government has started to collect any revenues from the transportation of extractive commodities since the previous Validation, meaning that Requirement 4.4 remains not applicable.

Mali has continued to make efforts to disclose company payments and government revenues from the extractive industries in a disaggregated, timely and reliable manner, although some back-sliding has been identified compared to the previous Validation. Mali EITI has made progress in identifying the nine types of extractive revenue streams that are levied at the level of individual projects (rather than at the company level), although it has only disclosed project-level data for 12 of the 23 extractive companies that participated in the 2019 EITI Report. Those twelve companies held only one license in the period under review. Since the previous Validation, Mali continued to publish EITI Reports within Board-approved timeframes for EITI reporting. Its 2019 EITI Report was published in March 2022 following the [Board's granting of an extension](#) to Mali's reporting deadlines due to the impact of the COVID-19 pandemic on Mali EITI's operations.

Adherence to Mali EITI procedures for ensuring the reliability of financial data disclosed in EITI Reports has weakened since the previous Validation. There has been a disengagement of the Section of Accounts of the Supreme Court of Mali from annual EITI reporting, with significant weaknesses in the reliability of financial data in the 2019 EITI Report. However, the Section of Accounts published its certification of government financial disclosures in the 2019 EITI Report six months after publication of the EITI Report, which partly addressed concerns over the credibility of the data disclosed. Mali has made some efforts at using its EITI reporting to provide a review of audit and assurance practices among material extractive companies but has yet to use the EITI process to support the strengthening of the supreme audit institution, the Section of Accounts. Significant misgivings from civil society and the IA about the comprehensiveness and reliability of financial data in the 2019 EITI Report imply that Mali has mostly met the requirement's objective of stakeholders having confidence in the reliability of the financial data on payments and revenues in Mali's EITI Reports.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p>Comprehensive disclosure of taxes and revenues (Requirement #4.1)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 4.1 is mostly met, which represents back-sliding compared to the previous Validation. Several stakeholders consulted from all constituencies noted that there had been a weakening of EITI reporting of government revenues in the most recent (2019) EITI Report, with some industry stakeholders attributing this to the impact of the COVID-19 pandemic. Some stakeholders from civil society and the IA considered that the objective of comprehensive disclosures of company payments and government revenues from mining was mostly met given concerns over the comprehensiveness of government disclosures of extractive revenues.</p> <p>Mali has continued its conventional EITI reporting during the COVID-19 pandemic, publishing its 2017 and 2018 EITI Reports in December 2020 and its 2019 EITI Report in March 2022, based on a conventional reconciliation of company payments and government revenues. The MSG's materiality decisions for both revenue streams and companies are described in the 2019 EITI Report. The coverage of all revenue streams with a de facto materiality threshold of zero ensures comprehensive coverage of all extractive revenues collected from material companies. The selection of extractive companies based on each entity's aggregate payments to government in 2019 and on the selection of the same companies as in 2018 provides some assurance that all material company payments were covered, although the lack of unilateral government disclosures of extractive revenues from non-material companies hinders independent confirmation of this point based on data in the EITI Report. Mali has continued to include contractors and suppliers of large-scale mining companies in the scope of its EITI disclosures of government revenues, as in the previous Validation. These disclosures are commendable in responding to public demands for information on mining contractors and the impact of government efforts to support the development of local content in the mining sector. All material companies appear to have reported with the exception of two mining companies, although their combined payments to government appear negligible (at 0.6% of government extractive revenues). All material government entities reported revenues from material companies but did not provide unilateral disclosure of revenues from non-material companies. During consultations, the IA noted concerns over the comprehensiveness of disclosures by government entities given the lack of reporting of revenues from all extractive companies by the Customs Department, which was also significantly delayed in providing data on revenues from material companies. The IA noted that there were over 100 mining companies excluded from the scope of reconciliation for 2019 given that their payments to government were below the materiality threshold for selecting companies for reporting and that collection of this data was likely too challenging for the Customs Department to complete in the given timeframe for reporting.</p>

	<p>Mali has continued to use its EITI disclosures to cover company payments and government revenues from sub-contractors in the mining sector. This represents a welcome expansion in the scope of disclosures to mining support activities related to the large-scale industrial mining sector, an issue of significant public interest amidst efforts to enhance local content in Mali's mining sector. However, the 2019 EITI Report identifies significant discrepancies (of XAF 72bn – around USD 115.6m) in the reconciliation of mining sub-contractors' tax payments to government given the lack of registration of many sub-contractors with the Large Taxpayer Unit (<i>Direction des Grandes Entreprises</i> – DGE) and the lack of disclosures by decentralised branches of the tax office (<i>Direction Générale des Impôts</i> – DGI) of revenues collected from mining sub-contractors. The IA explained that this formed the basis of a strong recommendation in the 2019 EITI Report, given the legal requirement for all extractive companies and contractors to be registered with the DGE.</p> <p>Mali has used its EITI reporting to review audit practices by material extractive companies in the period under review, but not yet to improve the accessibility of extractive companies' audited financial statements. While the nature of discrepancies in the reconciliation of company payments and government revenues do not raise questions about the comprehensiveness and reliability of the reconciled financial data, the lack of unilateral government disclosures is a concern that raises questions over the comprehensiveness of the reconciliation. During consultation, the IA noted that large initial discrepancies in the reconciliation had been resolved through adjustments but noted that this had required significant work with the reporting entities. The MSG's written comments in the Transparency template note that the reliability of financial data was not ensured through the reconciliation. This supports the Secretariat's assessment that Requirement 4.1 is mostly, but not yet fully, met.</p> <p>Several development partners consulted raised concerns over the Mali EITI's focus on gross government revenues from the extractive industries, without consideration for the repayments by government to extractive companies in line with tax incentives applicable to the mining sector. They noted that the government usually reimbursed companies for the VAT paid on imports of goods and services (e.g., fuel), payments that totalled around one third of total government mining revenues, meaning that government net revenues from the mining sector were one third lower than the gross revenues disclosed through EITI reporting. While Mali's EITI disclosures are in line with provisions of the EITI Standard by covering company payments to government, several development partners (but not MSG members) argued strongly for an expansion in the scope of Mali EITI disclosures to cover government refunds to extractive companies, in view of providing a more accurate picture of the total contribution of extractive revenues to the government budget. Other stakeholders consulted from constituencies including civil society did not express views on the value of disclosing government tax refunds to extractive companies. The MSG's comments on the draft assessment explain the process for the reimbursement of VAT on imports for extractive companies and notes that the VAT offsets are one of the reasons for the discrepancies in reconciled financial data in the 2019 EITI Report. However, the weaknesses in the government's unilateral disclosure of revenues from companies outside of the scope of reconciliation, combined with the IA's concerns over the comprehensiveness of reconciliation, support the assessment that Requirement 4.1 remains mostly met.</p>
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<p>Infrastructure provisions and barter arrangements (Requirement #4.3)</p> <p><i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 4.3 is not applicable in the period under review, as in the previous Validation. There was consensus among stakeholders consulted (other than development partners) that Requirement 4.3 was not applicable during the period under review given the lack of evidence of any new barter-type arrangement involving the exchange of goods and services for extractive commodity exploration and production rights or for the physical delivery of extractive commodities. While some development partners consulted highlighted allegations in late 2021 and early 2022 that the government was close to concluding contracts involving the exchange of mining rights for military goods and services, they noted that there was no reliable evidence that such an agreement had been concluded at the time of consultations (in May-June 2022). Other development partners considered that there may be payment for military goods and services drawing on the proceeds of the sale of artisanal-mined gold smuggled to the United Arab Emirates (UAE) but did not consider that this represented a barter-type arrangement. The Secretariat's view is that there is no evidence of any barter-type arrangement in accordance with the definition in Requirement 4.3 that was active in the period under review in this Validation.</p> <p>Mali's 2019 EITI Report states that there is no evidence of any barter agreement or infrastructure provisions in accordance with Requirement 4.3 in Mali, although this assessment is based on a review of submitted reporting templates by material extractive companies. There is no evidence of the MSG's discussion of the applicability of Requirement 4.3 in available minutes of its meetings. However, there is no documented evidence that any such barter-type agreement was concluded as of the date of commencement of this Validation. Thus, the Secretariat's view is that Requirement 4.3 remains not applicable in the period under review but highlights the importance of regular review by the MSG of the existence and materiality of any new barter-type arrangement involving the exchange of goods and services for extractive exploration and production rights or the physical delivery of such extractive commodities.</p>
<p>Transportation revenues (Requirement #4.4)</p> <p><i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 4.4 is not applicable in the period under review, as in the previous Validation. There was consensus among stakeholders consulted that the government did not receive any revenues from the transportation of extractive commodities.</p> <p>Mali's 2019 EITI Report states that Requirement 4.4 is not applicable to Mali given that oil and gas companies were at the exploration stage in the period under review. While the EITI Report does not comment on the MSG's consideration of any transport revenues related to the transportation of mineral commodities, the Secretariat understands that the government does not collect any transport revenues, either directly or through SOEs, from the transportation of mineral commodities, in the same way as in the period reviewed during the previous Validation.</p>
<p>Level of disaggregation (Requirement #4.7)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 4.7 is mostly met. Most of the stakeholders consulted expressed views on progress towards the objective of disaggregation in public disclosures of company payments and government revenues from oil, gas and mining. However, during consultations the IA noted that more work was required on project-level reporting ahead of the inception phase for future EITI disclosures to ensure that government revenues levied at a project level were disclosed at this level of disaggregation. The Secretariat's view</p>

	<p>is that, while project-level reporting has been de facto provided for companies holding only one mining exploration or production license, the objective remains mostly met given the lack of data collection of relevant company payments and government revenues at a per-project basis for all projects.</p> <p>Mali's 2019 EITI Report describes the MSG's efforts on project-level reporting, indicating that the MSG agreed a definition of project in line with the EITI Standard in October 2021 and has publicly categorised the revenue streams levied at a project level. While there is no evidence that the MSG has categorised any project that covers several licenses with substantially interconnected infrastructure, the Secretariat finds that there are no such projects covering several licenses in Mali at present. The 2019 EITI Report presents reconciled financial data on company payments and government revenues disaggregated by company on the one hand, and by revenue stream on the other, while the annexes to the EITI Report present the data disaggregated by government entity, revenue stream and company. Reconciled data was disclosed disaggregated by project for 12 of the 23 companies that participated in EITI reporting for 2019. During consultations, the IA confirmed that financial data for those 12 companies were disclosed by project because these 12 companies held only one extractive license in the period under review. In its comments on the draft assessment, the MSG argues for an upgrade in the assessment of Requirement 4.7 despite conceding that nine of the 21 reporting companies did not report payments to government disaggregated by project. These weaknesses in project-level reporting support the assessment of Requirement 4.7 as mostly met.</p>
<p>Data timeliness (Requirement #4.8)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 4.8 is fully met. Government and industry stakeholders consulted considered that the objective of ensuring sufficiently timely EITI disclosures to be relevant to inform public debate and policymaking had been fulfilled. However, several CSOs consulted raised concerns over delays in publication of the 2019 EITI Report. While these delays were partly due to the procurement process for the IA, CSO members also considered that delays in government EITI reporting were to blame, and thus that the objective has not yet been fulfilled. The Secretariat's view is that the objective is met given the Board's previous approval of Mali's extension on 2019 reporting deadlines, but that there is scope for significantly improving the timeliness of Mali EITI disclosures.</p> <p>Mali published its 2017 and 2018 EITI Reports in December 2020 and its 2019 EITI Report in March 2022. While the latest EITI Report was published after the two-year timeframe set by the EITI Standard, Mali's request for a three-month extension to its reporting deadline was approved by the EITI Board (see Board decision 2022-11) and it published the EITI Report within this Board-approved timeframe. There is evidence that the MSG has approved the reporting periods for each EITI Report to date. The MSG approved an action plan to strengthen systematic disclosures at its July 2021 meeting, although it remains unclear how such plans will improve the timeliness of EITI reporting in the short to medium term.</p>
<p>Data quality and assurance (Requirement #4.9)</p>	<p>The Secretariat's assessment is that Requirement 4.9 is mostly met, which represents back-sliding compared to the previous Validation. While government and industry stakeholders consulted expressed broad satisfaction with the reliability of financial data disclosed through EITI reporting, the IA and several CSOs consulted expressed significant doubt over the reliability of the financial</p>

Mostly met	<p>data in the 2019 EITI Report given the lack of adherence to agreed quality assurances by government entities that participated in EITI reporting. The Secretariat's view is that weaknesses in adherence to agreed quality assurances were partly offset by subsequent certification of government financial disclosures but that the IA's concerns over the reliability of reported financial data mean that the objective is mostly fulfilled.</p> <p>Mali has used its EITI reporting to review audit and assurance procedures for the government and extractive companies, although it has yet to draw on its EITI implementation to strengthen broader audit and assurance practices related to the government's collection of revenues from the extractive industries. The ToR for Mali's 2019 EITI Report deviate substantially from the standard ToR for Independent Administrators approved by the EITI Board, with significantly less detail on the methodology for the IA's work and the omission of the statement of materiality in Annex 1. MSG members consulted confirmed that the MSG's working group on data collection had oversight of the development of the ToR for the 2019 EITI Report but could not explain the reasons for the significant deviations between the agreed ToR and the Board-approved ToR to produce the EITI Report.</p> <p>The 2019 EITI Report provides a review of statutory audit procedures for both government and companies, but describes the practice in the year under review only for extractive companies, not for government revenue-collecting entities. The review of statutory audit procedures could be further strengthened with an assessment of any deviations between audit standards in Mali and applicable international standards. There is evidence that the MSG approved the reporting templates for EITI reporting in 2019, as well as the quality assurances for EITI reporting by companies and government entities that are described in the 2019 EITI Report. The EITI Report provides a detailed description of reporting entities' adherence to the agreed quality assurances, and it includes a statement on the comprehensiveness and reliability of the reconciled financial data. The statement notes that it does not consider the disclosed financial data to be reliable. During consultations, the IA raised concerns on weaknesses in reporting by the Customs Department as well as the lack of certification of government EITI reporting. The IA raised explicit concerns on the lack of comprehensive reconciliation of payments to government from mining sub-contractors, even if such disclosures are only encouraged, not required, under the EITI Standard (see <i>Requirement 4.1</i>). In its comments on the draft assessment, the MSG noted the publication in September 2022 of a report by the Section of Accounts of the Supreme Court providing certification of the government extractive revenues disclosed in the 2019 EITI Report. The comments also noted the publication of a report in September 2022 by a private audit company SARECI certifying disclosures of revenues collected from extractive companies by the National Social Security Institute (<i>Institut Nationale de Prévoyance Sociale - INPS</i>). The findings of these two reports indicated that there were no apparent anomalies in the disclosure of these revenues from the extractive industries in 2019. The MSG's comments argue strongly for an upgrade in the assessment of Requirement 4.9 to reflect its confidence in the reliability of the financial data in the EITI Report. While the certification of government financial disclosures was only finalised six months after the publication of the 2019 EITI Report, and despite concerns from the IA over the reliability of the reconciled financial data, the draft assessment of Requirement 4.9 as 'partly met' is upgraded to 'mostly met' in the final assessment.</p>
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	<p>Nonetheless, there is sufficient information in the 2019 EITI Report to assess the materiality of payments and revenues related to each non-complying reporting entity, meaning that a majority of payments and revenues were not accompanied with the agreed quality assurances. During consultations the IA and several CS members expressed concern at the disengagement of the Section of Accounts of the Supreme Court of Mali, which had not provided the agreed certification for government financial data in the 2019 EITI Report. While some stakeholders from all constituencies noted the logistical challenges of preparing the 2019 EITI Report when the IA faced challenges in coming to Mali from its base in Senegal, although other stakeholders including the IA highlighted weaknesses in government provision of data and quality assurances as the key challenge in ensuring the comprehensiveness and reliability of financial data in the 2019 EITI Report. Development partners consulted highlighted human and technical capacity constraints within the Section of Accounts, including both in staff turnover and the lack of a legal status of judge for members of the Section of Account. Nonetheless, all non-financial information in the 2019 EITI Report appears adequately sourced and the IA appears to have taken steps to preserve the confidentiality of information prior to reconciliation.</p>
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New corrective actions and recommendations

- In accordance with Requirement 4.1, Mali should ensure disclosure of all material payments by oil, gas and mining companies to governments and all material revenues received by governments from oil, gas and mining companies to a wide audience in a publicly accessible, comprehensive and comprehensible manner. Mali must ensure that all government entities receiving material revenues from oil, gas and mining companies are required to comprehensively disclose these revenues in accordance with the agreed scope. Unless there are significant practical barriers, the government, including the Customs Department, is additionally required to provide aggregate information about the amount of total revenues received from each of the benefit streams agreed in the scope of EITI implementation, including revenues that fall below agreed materiality thresholds. All oil, gas and mining companies making material payments to the government are required to comprehensively disclose these payments in accordance with the agreed scope. A company should only be exempted from disclosure if it can be demonstrated that its payments are not material. To strengthen implementation, extractive companies are expected to publicly disclose their audited financial statements, or the main items (i.e., balance sheet, profit/loss statement, cash flows) where financial statements are not available.
- To strengthen implementation, Mali is encouraged to consider annually whether there are any agreements, or sets of agreements involving the provision of goods and services (including loans, grants and infrastructure works), in full or partial exchange for oil, gas or mining exploration or production concessions or physical delivery of such commodities in accordance with Requirement 4.3. To be able to do so, the MSG and the Independent Administrator need to gain a full understanding of: the terms of the relevant agreements and contracts, the parties involved, the resources which have been pledged by the state, the value of the balancing benefit stream (e.g. infrastructure works), and the materiality of these agreements relative to conventional contracts. Where the MSG concludes that these agreements are material, it is required to ensure that EITI implementation addresses these agreements and disclosures provide a level of detail and disaggregation commensurate with the other payments and revenue streams.
- In accordance with Requirement 4.7, Mali should ensure that financial data on company payments and government revenues from the mining, oil and gas sectors is publicly disclosed

disaggregated by government entity, revenue stream, company and, where relevant, by individual project. A project is defined as operational activities that are governed by a single contract, license, lease, concession or similar legal agreement, and form the basis for payment liabilities with a government. If multiple such agreements are substantially interconnected, Mali EITI must clearly identify and document which instances are considered a single project.

- To strengthen implementation, Mali is encouraged to explore opportunities for improving the timeliness of its EITI disclosures, potentially building on strengthened systematic disclosures of EITI data by extractive companies and government, with a view to enhancing the relevance of EITI data to public debate and policy making.
- In accordance with Requirement 4.9, Mali should ensure that appropriate measures have been taken to ensure the reliability of disclosures of company payments and government revenues from oil, gas and mining, with the aim of the EITI contributing to strengthening routine government and company audit and assurance systems and practices and ensure that stakeholders can have confidence in the reliability of the financial data on payments and revenues. Mali is required to agree a procedure to address data quality and assurance based on a standard procedure endorsed by the EITI Board. The MSG is required to apply the standard procedure without any material deviations. Should the MSG wish to deviate from the standard procedures, approval from the EITI Board must be sought in advance.

Revenue management (Requirements 5.1, 5.3)

Overview of progress in the module

Mali operates a centralised public finance management system, with statutory government revenues levied on the mining, oil and gas sectors transferred to accounts that are recorded in the national budget, including earmarked accounts for the petroleum regulator. Mali has made some efforts at using its annual EITI reporting to describe the Treasury account system and to provide an overview of the national budget classification system but has yet to consider allegations of off-budget funding of certain government expenditures linked to the sale of artisanal-mined gold. While most stakeholders and all EITI office holders consulted categorically stated that there was no such off-budget funding of government expenditures, some development partners and CSOs outside the EITI process echoed these allegations but did not have tangible evidence to provide at the time of consultations (May-June 2022). In the absence of a publicly accessible set of financial statements (TOFE) or national budget report since the imposition of international sanctions in early 2022, there is insufficient evidence in the public domain to confirm that all extractive revenues are recorded in the national budget at present.

The government provides systematic disclosures of some budget data on the websites of the [Ministry of Economy and Finance](#) and of the [Ministry of Budget](#). Mali has used its EITI reporting to provide a cursory overview of statutory budget and audit processes, although it has yet to expand this annual review to the practices of the government's budget cycle and the findings of annual audits of government accounts. There is scope for Mali to use its annual EITI reporting to provide additional forward-looking information on budget and extractive industry forecasts and assumptions with a view to strengthening public debate with regards to the budget cycle.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p>Distribution of extractive industry revenues (Requirement #5.1)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 5.1 is fully met, as in the previous Validation. Most stakeholders consulted considered that all extractive revenues were collected by either Treasury accounts or special accounts that were recorded in the national budget and its annexes and thus that the objective of traceability of extractive revenues to the national budget had been fulfilled. However, consultations with some development partners and CSOs outside of the EITI process noted allegations that certain government purchases of military goods and services from private military contractors were financed since 2021 by the proceeds of sales of artisanal-mined gold by politically exposed persons, in a form of off-budget financing of government military expenditures. The Secretariat was not able to locate reliable evidence in the public domain to confirm these allegations and it is unclear how the proceeds of private sales of artisanal-mined gold would be considered government revenues. Given that all statutory extractive industry revenues appear to be recorded in the national budget, the Secretariat's view is that the objective remains fully met in the period under review.</p> <p>Mali's 2019 EITI Report states that all government revenues from the extractive industries are transferred to the single Treasury account and recorded in the national budget, except for social security contributions to the National Institute of Social Security (INPS). However, the report also implies that revenues collected by the Petroleum Research and Promotion Authority (AUREP) are not recorded in the national budget, but does not continue to explain this apparent inconsistency in the report. The value of revenues collected by INPS is disclosed in the EITI Report, but not the value of revenues collected by AUREP in 2019 (and subsequently became the ONRP (<i>Office national de la recherche pétrolière</i>) in 2020). The report does not provide a description of the management of extractive revenues that are collected by the INPS and AUREP. Several government officials consulted however explained that revenues collected by AUREP in 2019 and subsequently ONRP since 2020 were transferred to earmarked accounts (<i>'comptes d'affectations'</i>) and that these accounts were recorded in the annexes to the annual government budget.</p> <p>While confirming that all statutory extractive industry revenues were collected by Treasury accounts that were covered by the national budget, several development partners expressed concern over the fact that they had not received information on an updated TOFE or national budget since the imposition of international sanctions in early 2022. Some development partners noted the existence of allegations that the financing of the government's purchases of military goods and services was partly through off-budget sources, some of which were linked to the proceeds of sales of artisanal-mined gold that were used to finance such off-budget purchases. There is no further evidence in the public domain to support such allegations as of June 2022 (see <i>Annex B</i>). Several stakeholders consulted from all</p>

	<p>constituencies considered that all purchases of military equipment in the context of the government's military modernisation strategy were recorded in the national budget, which currently devoted 20% of expenditures to the military.</p> <p>The 2019 EITI Report does provide cursory reference to regulations governing the national revenue classification system operated by the government, albeit without describing this classification system.</p>
<p>Revenue management and expenditures (Requirement #5.3)</p> <p><i>Not assessed</i></p>	<p>The Secretariat's assessment is that Requirement 5.3 remains not assessed, given that several encouraged aspects of this requirement remain to be addressed by Mali EITI. Most stakeholders consulted did not express views on progress towards the objective of strengthening public oversight of the management of extractive revenues, although several CSOs and industry called for greater focus by Mali EITI disclosures on assumptions underlying the budget process and the management of budget expenditures. The Secretariat's view is that Mali has used its EITI implementation to improve transparency in the budget and audit processes in only a limited way and that there is significant scope for expanding EITI disclosures of information to further public understanding and debate around issues of revenue sustainability and resource dependence.</p> <p>Mali has used its recent EITI reporting to provide an overview of the government's budget and audit processes. The 2019 EITI Report confirms that there are no earmarked government extractive revenues in Mali. There is no evidence that Mali EITI has yet used its EITI reporting to disclose information that could further public understanding and debate around issues of revenue sustainability and resource dependence, such as the assumptions underpinning forthcoming years in the budget cycle and relating to projected production, commodity prices and revenue forecasts arising from the extractive industries and the proportion of future fiscal revenues expected to come from the extractive sector. Systematic disclosures of public finance management information, including key budget documents, remains extremely limited in Mali, with a regression in disclosures of the TOFE and the budget reports since the imposition of international sanctions in early 2022. The latest budget execution report available on the Ministry of Economy and Finance website covers Q1 2021, while the Ministry of Budget website provides data on the initial 2022 budget agreed in late 2021, rather than adjusted expenditure figures following the imposition of sanctions.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • To strengthen implementation, Mali EITI is encouraged to discuss allegations of off-budget financing of certain government expenditures from the proceeds of sales of extractive commodities. Mali is encouraged to reference national revenue classification systems, and international standards such as the IMF Government Finance Statistics Manual, in its annual disclosures of government revenue data. • To strengthen implementation, Mali is encouraged to use its EITI implementation to work with relevant government entities including the Ministry of Economy and Finance and the Ministry of Budget to ensure regular public disclosure of updated budget and public finance management documents such as the TOFE (<i>Tableau des opérations financières de l'Etat</i>) with a view to strengthening public oversight and accountability in the management of extractive revenues and 	

expenditures. Mali may wish to use its EITI reporting to disclose timely information from the government that will further public understanding and debate around issues of revenue sustainability and resource dependence. This may include the assumptions underpinning forthcoming years in the budget cycle and relating to projected production, commodity prices and revenue forecasts arising from the extractive industries and the proportion of future fiscal revenues expected to come from the extractive sector.

Subnational contribution (Requirements 4.6, 5.2, 6.1)

Overview of progress in the module

There continued to be no direct subnational payments by extractive companies to subnational governments in the period under review, while subnational transfers of government revenues collected at the national level consisted of a general business tax (*'la patente'*) rather than an extractive-specific revenue stream. Statutory provisions in the 2019 Mining Code for the establishment of a local development fund funded by mining revenues had yet to be implemented, with the related implementing decree at the final stages of preparation as of the commencement of Validation (April 2022). Nonetheless, Mali has continued to use its EITI reporting to improve transparency in the execution of subnational transfers of two types of non-extractive-specific government revenues collected at the national level. These meaningful disclosures have met significant public demand for this information, particularly among stakeholders at the subnational level.

Mali has used its annual EITI reporting to disclose information on extractive companies' mandatory and voluntary social expenditures. However, Mali EITI does not yet appear to have comprehensively reviewed all active extractive contracts to identify all contractually mandated social expenditures, with a view to demonstrating the comprehensiveness of EITI disclosures of mandatory social expenditures from only one mining company in the 2019 EITI Report. There is a general lack of clarity on whether extractive companies are required to make any form of payments to government that are related to the environment (e.g., environmental license, environmental impact assessment fees, etc.). There appears to be significant public interest in further transparency around mining companies' statutory contributions to environmental rehabilitation funds, as reflected in consultations with civil society stakeholders. Mali EITI has not yet extended the scope of its reporting to cover such issues of high public interest.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
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<p>Subnational payments (Requirement #4.6)</p> <p><i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 4.6 is not applicable in the period under review, as in the previous Validation. There was consensus among stakeholders consulted that extractive companies did not make any payments to subnational governments in the period under review.</p> <p>Mali's 2019 EITI Report confirms the lack of any direct subnational payments by extractive companies in the year under review. It bases this assessment on a review of the Hydrocarbons Code and of EITI reporting templates received. The Secretariat understands that no new direct subnational payments have been established in the period since the previous Validation.</p>
<p>Subnational transfers (Requirement #5.2)</p> <p><i>Exceeded</i></p>	<p>The Secretariat's assessment is that Requirement 5.2 is exceeded, as in the previous Validation. Most stakeholders consulted from all constituencies expressed satisfaction at the progress made in Mali EITI disclosures on subnational transfers of common tax revenues. While these revenues were not extractive-specific, stakeholders highlighted the public demand for this information at the subnational level and considered that these disclosures were contributing to one of the more important outcomes of Mali's EITI implementation. The Secretariat's view is that, while Requirement 5.2 is not strictly applicable to Mali in the period under review, Mali EITI's efforts to expand the scope of EITI disclosures to an area of significant public interest means that the objective of transparency in subnational transfers has been fulfilled.</p> <p>There are two types of subnational transfers of revenues in Mali, although neither is specifically linked to revenues from the extractive industries. The first type concerns transfers of a share of revenues from "la patente", a form of professional tax levied on all companies in Mali. The second consists of the subnational transfers of all revenues collected as 'road tax' ('<i>taxe de voirie</i>'), which is levied on all legal and physical people who are liable to pay 'la patente' and live within a concession. While this implies that Requirement 5.2 is not applicable in Mali given that it concerns only subnational transfers of extractive revenues, Mali EITI has pursued disclosures of these subnational transfers since the previous Validation. This has been driven by significant public interest in these disclosures, as reflected in consultations with stakeholders from government and civil society who noted that a significant portion of EITI dissemination and outreach events were devoted to discussing subnational transfers of '<i>la patente</i>'. Given that Mali has made progress in addressing encouraged aspects of this requirement, the Secretariat's view is that it remains exceeded in the period under review. Several development partners called for greater use and analysis of the EITI data on subnational transfers, noting that two rural communes (Kéniéba and Sitakily) that had received a large share of subnational transfers over the past decade nonetheless did not appear to have any more infrastructure than other communes receiving less transfers.</p>
<p>Social and environmental expenditures (Requirement #6.1)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 6.1 is mostly met. Several government and industry stakeholders consulted considered that the objective of public understanding of extractive companies' social and environmental contributions had been fulfilled. However, several CSOs stated categorically that they did not consider this objective to have been achieved given their lack of confidence in the accuracy of social expenditure data reported by extractive</p>

	<p>companies in EITI Reports. The Secretariat's view is that conflicting views among EITI office holders consulted over the extent of mandatory social expenditures by extractive companies, combined with diverging views on the existence and materiality of environmental payments to government, mean that the objective is mostly met despite Mali EITI's efforts to disclose both mandatory and voluntary social expenditures. A review of applicable laws and regulations, including provisions of the 2012 Mining Code, indicates the existence of legal requirements for mining companies holding contracts under the 2012 Mining Code to commit to social expenditures under an Environmental and Social Impact Management Plan. The disclosure of only one mining company's mandatory social expenditures thus raise concerns over the comprehensiveness of EITI disclosures.</p> <p>Mali's 2019 EITI Report does not explicitly clarify whether extractive companies are required to undertake mandatory social expenditures or payments to government related to the environment. Nonetheless, the MSG has included requests for disclosures related to social expenditures and environmental payments in the reporting templates for material companies, with a de facto materiality threshold of zero. Annexes (6 & 7) to the 2019 EITI Report provide reporting companies' disclosures of their mandatory and voluntary social expenditures, although the legal or contractual basis for mandatory social expenditures remains unclear from Mali EITI disclosures. The 2012 Mining Code however includes requirements for mining companies to conclude Environmental and Social Impact Management Plan that provide for specific (mandatory) social expenditures, which was confirmed in stakeholder consultations. The companies' unilateral disclosures related to both mandatory and voluntary social expenditures provide the information listed in Requirement 6.1.a, albeit with some gaps in the description of the nature of in-kind expenditures in the case of around half of the voluntary social expenditures reported. However, the disclosures of mandatory social expenditures provided in annex to the 2019 EITI Report contain only one mining company's disclosures, with reference to a protocol of agreement but without explanation of the nature or terms of the protocol itself. Several industry stakeholders and the IA noted that mining companies holding a contract concluded on the basis of the 1991 contract template were not subject to mandatory social expenditures, but that some companies holding contracts concluded under the more recent 2012 Mining Code had mandatory social expenditure obligations. One CSO explained that the 2012 Mining Code included only general requirements for mining companies to make contributions to community development, but that the 2019 Mining Code had formalised requirements for mining companies to conclude Community Development Plans and Agreements. A review of both the 2012 and 2019 Mining Codes indicates legal requirements for mining companies holding contracts under these two Codes to undertake mandatory social expenditures, although the provisions of the 2019 Mining Code are more specific than those in the 2012 Mining Code. While several CSOs welcomed EITI disclosures of social expenditures, they expressed scepticism over whether the reported sums were actually spent by the companies in practice, but noted that to date CSOs had not used EITI data to verify the realisation of social projects in practice. Some CSOs noted plans for a study in future to review the actual realisation of social expenditures by mining companies.</p>
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	<p>With regards to environmental payments to government, the 2019 EITI Report only cites requirements of the mining and petroleum laws that oil and gas companies obtain an environmental permit and that mining companies undertake measures to protect the environment but does not explicitly describe any government revenues from extractive companies related to the environment. There are no further disclosures of such environmental payments to government by Mali EITI, if applicable. There was general uncertainty among stakeholders consulted from all constituencies over whether any extractive companies' (tax or non-tax) payments to government were related to the environment (such as environmental impact assessment fees or environmental license fees). There is no indication that Mali EITI has expanded the scope of EITI reporting to cover mandatory or voluntary expenditures related to the environment. Government officials consulted noted that mining companies were required to contribute 5% of their turnover to an environmental rehabilitation fund under both the 2012 and 2019 Mining Codes but noted that Mali EITI had not yet worked with the Ministry of Environment to expand the scope of EITI disclosures to these areas. Several CSOs noted that their constituency had repeatedly proposed to expand the scope of EITI disclosures to environmental payments and management, which had been agreed by the MSG but never subsequently prioritised. Several CSOs considered that the lack of further Mali EITI work on environmental issues was due to capacity constraints given the lack of technical experts on environmental issues within the MSG. In its comments on the draft assessment, the MSG states that it requested unilateral government disclosures of revenues from extractive companies regardless of the type of payment flow. It explains that no government revenues from extractive companies related to the environment were reported and confirms the lack of statutory requirement for extractive companies to make payments to government related to the environment.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • To strengthen implementation, Mali is encouraged to use its EITI implementation to provide an annual diagnostic of the implementation of statutory provisions in the 2019 Mining Code for the establishment of a local development fund drawing from mining revenues. • In accordance with Requirement 6.1, Mali should ensure regular public disclosures of all social expenditures by extractive companies mandated by law, regulation or contract, where such payments are material. Mali should ensure public disclosures of all payments by extractive companies to the government related to the environment mandated by law, regulation or contract, where such payments are material. To strengthen implementation in light of significant public interest, Mali is encouraged to consider ensuring public disclosure of discretionary social expenditures and both mandatory and discretionary environmental expenditures to third parties (including contributions to environmental rehabilitation funds), where material. 	

Background

Overview of the extractive industries

An overview of the extractive industries is accessible on the [country page](#) of the EITI website for Mali.

History of EITI implementation

The history of implementation is accessible on the [country page](#) of the EITI website for Mali.

Explanation of the Validation process

An overview of the Validation process is available on the EITI website.⁴ The [Validation Guide](#) provides detailed guidance on assessing EITI Requirements, while the more detailed [Validation procedure](#) include a standardised procedure for undertaking Validation by the EITI International Secretariat.

The International Secretariat's country implementation support team include Solofo Rakotoseheno and Nassim Bennani, while the Validation team was comprised of Alex Gordy, Hugo Paret and Christina Berger. The internal review for quality assurance was conducted by Nassim Bennani, Gay Ordenes and Mark Robinson

Confidentiality

The detailed data collection and assessment templates are publicly accessible, on the internal Validation Committee page here.

The practice in attribution of stakeholder comments in EITI Validation reports is by constituency, without naming the stakeholder or its organisation. Where requested, the confidentiality of stakeholders' identities is respected, and comments are not attributed by constituency. This report is shared with stakeholders for consultation purposes and remains confidential as a working document until the Board takes a decision on the matter.

Timeline of Validation

The Validation of Mali commenced on 1 April 2022. A public call for stakeholder views was issued on 1 March 2022. The Secretariat did not receive any responses to this call for views. Stakeholder consultations were held virtually in May 2022. The draft Validation report was finalised on 11 August 2022. Following comments from the MSG received on 7 September 2022, the Validation report was finalised for consideration by the EITI Board

⁴ See <https://eiti.org/validation>

Resources

- Validation data collection file – [Stakeholder engagement](#) (FR)
- Validation data collection file – [Transparency](#) (FR)
- Validation data collection file – [Outcomes and impact](#) (FR)

Annex A: Assessment of Requirement 1.3 on civil society engagement

Methodology

Due to concerns expressed by stakeholders related to the enabling environment for civil society engagement in the EITI, the International Secretariat's Validation team has conducted a detailed assessment of Mali's adherence to the EITI Protocol: Participation of civil society.⁵

The assessment follows the Validation Guide, which defines guiding questions and related evidence that should be considered in cases where there are concerns about potential breaches of the civil society protocol.⁶ For contextual purposes, the Validation provides an overview of the broader enabling environment for civil society participation in country's extractive sector. The assessment seeks to establish whether legal or practical restrictions related to the broader enabling environment have in practice restricted civil society engagement in the EITI in the period under review. It focuses on the areas where there are concerns regarding adherence with the civil society protocol.

A call for stakeholder views on progress in EITI implementation was launched on 1 March 2022, in accordance with the Validation procedure. The Secretariat did not receive any responses to this call for views. The assessment draws on the information provided in the Stakeholder engagement file, in secondary sources, and in stakeholder consultations.

Overview of broader environment for civil society engagement

International assessments of civic space in Mali have highlighted a deterioration in the enabling environment for civil society participation in public debate on natural resource governance in the period under review in this Validation (June 2019 – April 2022). Mali's ranking in the Freedom in the World report has declined from 'partly free' in [2019](#) and [2020](#) to 'not free' in [2021](#) and [2022](#). Mali's rating by [CIVICUS](#) was lowered from 'obstructed' to 'repressed' in December 2021. The United States Department of State's Human Rights Reports on Mali in [2019](#), [2020](#) and [2021](#) describe an environment of extrajudicial killings and disappearances by government officials and the armed forces, with little evidence of prosecution of government officials involved. [Human Rights Watch](#) has documented multiple instances of killings of civilians by both the army, paramilitary forces and insurgents.

The decline in international rankings of Mali's civic space were attributed to legislative elections marred by violence in April 2020, a coup d'état in August 2020 and a second coup d'état in May 2021. The [2019](#) and [2020](#) CSO Sustainability Indexes for sub-Saharan Africa highlight the context of insecurity in which CSOs operate in parts of the country, including in mining areas. The United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) has published [quarterly reports](#) on trends in human rights violations and abuses in Mali since 2020. The reports indicate that documented human rights abuses have fluctuated between 400 and 600 per quarter, with over half attributed to the military and armed forces. Following a slight

⁵ <https://eiti.org/document/eiti-protocol-participation-of-civil-society>.

⁶ <https://eiti.org/document/2021-eiti-validation-guide>.

decline in recorded human rights abuses in the second half of 2021, these [rebounded sharply](#) again in Q1 2022 driven by abuses and killings by government forces. However, the February 2022 [report](#) of the Office of the United Nations High Commissioner for Human Rights (OHCHR) highlights the impact of the security crisis on civil society that has led to government and donor resources shifting to responding to the health crisis caused by the security situation. Mining sites have been particular targets for insurgents. In the northern area of Gourma, for example, two Islamist groups (the al-Qaeda-linked Jama'at Nasr al-Islam wal Muslimin and Islamic State in the Greater Sahara) who had been old collaborators but since June 2020 had been engaged in violent conflict, including for control of mining sites according to the [Financial Times](#). The two insurgent groups have extended their activities to central and southern regions of Mali, including in San, Koutiala and Sikasso. International NGO reports and stakeholder consultations indicated restrictions in mobility in these areas, with CSOs and journalists routinely barred from accessing these sites.

Opinions expressed in consultations were divided over whether these broader constraints affected civil society's engagement in the EITI process. On the one hand, the majority of Bamako-based CSOs substantially engaged in the EITI did not consider that there were any constraints on their EITI engagement. A few community based CSOs focused on environmental aspects of the extractive industries, on the other hand, considered that there were constraints on civil society's freedom of expression and of operation in relation to their participation in public about natural resource governance. Civil society's input to the 'Stakeholder engagement' template for this Validation stated that there were no constraints on civil society's engagement in the EITI process or any breaches of the EITI protocol: Participation of civil society. Available documentation and stakeholder consultations did not indicate that the MSG has discussed the issue of civic space in relation to the EITI process or public debate on natural resource governance in the period under review. The MSG's comments on the draft assessment argued strongly that there were no government constraints on any aspects of civil society's engagement in the EITI process or on public debate related to natural resource governance. The comments argued that allegations of constraints on freedom of expression were entirely unfounded.

Expression

International rankings of civic space in Mali highlight instances of detention of journalists and disruptions in broadcast transmissions in recent years. Successive editions of [Freedom in the World](#) in 2019-22 identify arrests of journalists, including the arrest of a Liberté TV journalist for covering protests in July 2020, before being released a day later without charges. Annual reports by CIVICUS for [2020](#) and [2021](#) highlight cases of arrests and prosecution of journalists as well as cases of unexplained disappearances. None of these arrests of journalists appear to be connected to publications about natural resource governance, but rather in connection to their coverage of protests and military operations. However, Freedom in the World and CIVICUS highlight growing restrictions of press freedom following the August 2020 coup d'état. Mali's ranking in the [Press Freedom Index](#) prepared by Reporters Without Borders improved marginally from 112th in 2019 to 99th in 2021, before falling back to 111th in 2022. Successive [Freedom in the World](#) rankings of Mali note instances of disruptions in social media services in 2019-22. The US Department of State's Human Rights Reports on Mali for [2019](#) and [2020](#) highlight disruptions in social media in these years, the report for [2021](#) notes the absence of credible allegations of Internet or social media disruptions.

While [Freedom in the World 2022](#) highlights only sporadic reports of self-censorship by journalists, the OHCHR's 2022 [report](#) highlights grave concerns over shrinking civic space, including in the media and political opposition, leading 'several actors' to self-censor out of fear of reprisals from the Malian transitional authorities and/or their supporters. In March 2022, the High Authority for Communications permanently [banned](#) the French news broadcasters France 24 and Radio France International (RFI), following their reporting of alleged summary execution of some 500 individuals by Mali's armed forces and Russian military contractor the Wagner Group. The [OHCHR](#) categorised this ban as "the latest in a string of (similar) actions" by Mali's authorities that had "pervasive chilling effect on journalists and bloggers". The day after the ban, Malian journalist Mohamed Attaher Halidou, the director of information at Joliba TV News, made a televised address in which he alleged widespread self-censorship by civil society and journalists in Mali for fear of reprisals from transitional government officials and criticised the lack of condemnation of the ban of the French broadcasters by Malian media according to Voice of America ([VoA](#)). A senior government official consulted considered that legal proceedings had targeted certain journalists who had "promoted hatred", a crime under the 2015 Anti-Terrorism Law, but that this was independent of actions by the executive branch of government.

In February 2020, the government issued the implementing decree for the 2017 Law on Human Rights Defenders, providing legal protections to human rights defenders' homes and offices, public expression and access to funding. The [2019 CSO Sustainability Index](#) for sub-Saharan Africa highlighted this as an important improvement in supporting the overall viability of CSOs. There is some evidence of press statements by CSOs engaged in the EITI process that are critical of government and companies in relation to their management of the extractive industries. For example, representatives from PWYP Mali have made statements critical of the government in relation to the Yatela mine in the national newspaper [L'Indépendant](#) and in a PWYP Mali [newsletter](#) in February 2020. Minutes of MSG meetings do not identify statements by constituency, and therefore do not provide evidence of civil society expression critical of the government or companies' management of the extractive industries. Several CSOs substantially engaged in the EITI process considered that they often made statements critical of the government's management of the extractive industries, including its oversight of the artisanal mining sector.

While most CSOs consulted for this Validation considered that there were no obstacles to their participation in the EITI process or in public debate on natural resource governance, a few CSOs based in mining communities and not substantially engaged in the EITI process considered that there were cases of intimidation, harassment and threats in retribution for their public expression on natural resource governance.

Two community based CSOs consulted in particular, which were not substantially engaged in the EITI process but worked on the environmental impacts of mining activities, described instances when they received threatening calls from local government officials warning them to desist from public expression critical of the environmental impacts of mining. They considered that the threats related to the potential for them to be kidnapped or detained, which they considered would be at the hand of government forces. Some development partners echoed these concerns and considered that self-censorship was pervasive among civil society in Mali, including on issues related to the extractive industries, given the risk of arrest, disappearance or execution by officials in the transitional government. One development partner stated categorically that civil society risked threats including extra-judicial killing for public expression critical of the government's management of the mining sector. Two CSOs not engaged in the EITI process and

several development partners considered that there was widespread self-censorship on issues related to the transitional government, including on allegations of mining rights awards to armed groups and the ownership of companies engaged in artisanal and semi-mechanised mining. Yet the majority of stakeholders consulted, including from civil society, considered that CSOs were outspoken about all issues related to the extractive industries and did not consider that there were any topics too sensitive to discuss in public. They considered that the lack of civil society public expression on issues such as allegations of mining rights awards to armed groups was due to the lack of reliable information on the issue rather than to self-censorship.

There is thus a clear split in views among stakeholders consulted, between the majority of stakeholders substantially engaged in the EITI process that considered that there are no constraints on freedom of expression on natural resource governance on the one hand, and on the other hand a minority of community-based civil society stakeholders not substantially engaged in the EITI process (though not for lack of interest) and several development partners that considered that there were tangible constraints on freedom of expression in relation to certain mining and public finance management issues.

In its comments on the draft assessment, the MSG argues that there are no government constraints on civil society's freedom of expression in the context of the EITI process and that allegations of self-censorship are unfounded. The MSG's comments argue that there is no self-censorship on the part of civil society either in the context of the EITI process or more broadly in the extractive industries, citing examples of civil society dissemination of the 2020 work plan, the 2019 annual progress report and public advocacy by civil society around the publication of the Yatela mining contract as examples of civil society's expressions critical of the government. The comments state that there is no basis for alleging that there may have been awards of mining rights to armed groups.

The comments also argue that the ban of international media have had no impact on the implementation of the EITI in Mali. In preparing comments on the draft assessment, the MSG notes that civil society undertook activities to demonstrate that it did not face any restrictions from government. These activities included a meeting with the National Geology and Mines Department to discuss challenges in publication of certain extractive contracts and annexes and allegations of mining rights awards to armed groups, a public meeting at the mine site of Sadiola SA in the region of Kayes to disseminate findings of a contract transparency study, a public debate on contract disclosure with stakeholders involved in the mining sector, televised and radio debates on challenges in contract disclosure, and a debate with journalists, CSO members and a technical advisor to the Minister of mines, where the opportunity was given to the audience to discuss topics like freedom of expression and freedom of the press (including the cases of the international media that were suspended in Mali), contract transparency, alleged licensing to armed groups, the transfer of the Yatela mine to the government, the Chinese involvement in ASM, pollution due to mining activities.

The assessment of self-censorship requires a judgement call regarding the relative weighting of views from different stakeholders consulted, combined with a review of evidence of public expression on topics related to natural resource governance. Recent outreach and dissemination activities led by civil society have demonstrated that there is evidence of public debate and expression critical of other topics that appear of significant public interest yet are considered sensitive by several stakeholders consulted, including artisanal and semi-mechanised gold mining and the environmental impacts of mining.

Operation

There do not appear to have been significant changes in the statutory oversight of CSOs in the period under review, according to the [2020 CSO Sustainability Index](#) for sub-Saharan Africa, other publicly available sources and stakeholder consultations. However, the government registration offices outside of Bamako became more flexible in the registration of CSOs according to the international assessments of civic space. This led to significant growth in the number of new association registrations in 2020-21, including in the establishment of new CSOs focused on environment, gender and human rights issues. The [2020 CSO Sustainability Index](#) for sub-Saharan Africa notes that there was an easing in registration procedures for CSOs in 2020 that it considered to be due to a genuine desire by authorities to include CSOs in rebuilding efforts.

However, stakeholder consultations noted a shift after the second coup d'état in May 2021, when the enforcement of provisions of Law [04-038-PRM](#) of 2004 had become stricter. Several CSOs noted that the transitional government had asked for more regular reports from CSOs since 2021 and that a census of CSOs was underway in 2022 to identify all CSOs operating in Mali. Nonetheless, all CSOs substantially engaged in the EITI process, including those not directly represented on the MSG, appear duly registered as associations. While associations can be converted into NGOs after three years of operation, few associations apply for this conversion in practice. Stakeholder consultations and civil society's input to the Stakeholder engagement template do not indicate any challenges in establishing or operating an association.

There have been no new regulations on civil society's access to funding since the previous Validation. Evidence suggests that civil society organisations engaged in the EITI process, including members of the broader constituency such as members of the PWYP Mali coalition, have continued to access funding from international sources including Open Society West Africa (OSIWA) and PWYP International throughout the period under review. However, international assessments of civic space in Mali highlight a high dependence of civil society on foreign funding sources and the tendency for international donors to shift their resources towards responding to the impact of the security crisis. While confirming the lack of government restrictions on foreign funding for Malian CSOs, stakeholder consultations highlighted significant financial constraints for all but the larger CSOs such as *Coalition des Alternatives Africaines Dette et Développement* (CAD-Mali) and *Fondation pour le Développement au Sahel* (FDS). However, since the regional economic and monetary union UEMOA suspended financial institutions under its jurisdiction from dealing with Mali in January 2022, formal financial transactions with Mali-based stakeholders have been interrupted. While none of the CSOs consulted said they had faced government constraints in accessing foreign funding for most of the period under review, several international CSOs noted that they had had to postpone projects in 2022 due to their inability to disburse funds to their grantees in Mali following the imposition of UEMOA sanctions in January 2022. This included projects related to the extractive industries funded by PWYP International. While there is evidence of foreign funding of CSOs engaged in the EITI process for most of the period under review in this Validation, there is no evidence of disbursements of foreign funding for CSOs since January 2022.

Successive US Department of State Human Rights Reports on Mali in [2019](#), [2020](#) and [2021](#) note the lack of credible reports suggesting the government monitored private online communications without appropriate legal authority. However, the OHCHR spokesperson Ravina Shamdasani [noted](#) in April 2022 that the use of digital surveillance tools by government officials had increased risks for journalists, bloggers and human rights activists to operate and protect their sources. Most of the stakeholders consulted, including from civil society on and off the

MSG, stated categorically that they did not consider that their communications were monitored by the government.

Association

There continued to be an enabling legal environment for freedom of association in Mali in the period under review. Civil society groups engaged in the EITI process appear to be freely collaborating with each other and with other local CSOs off the MSG as well as with international partners. The PWYP Mali coalition continues to act as coordinator of the civil society constituency's engagement in the EITI process, with the same organisations and individuals represented on the MSG for the past decade or more. Stakeholder consultations highlighted a difference of opinion between CSOs that were on the MSG and those that were not with regards to the quality of civil society representation on the MSG. Some CSOs off the MSG considered that it was time for a gradual renewal of MSG representation to bring in new members while preserving institutional memory. Other CSOs on the MSG noted that the term limit on MSG representation applied from 2018 when they changed the rules, rather than the individual's original MSG appointment date. The MSG's comments on the draft assessment echoed this view, arguing that the civil society constituency was only established in 2019 (based on the perception that constituency coordination mechanism requirements were only introduced in the 2019 EITI Standard), thus implying that term limits only applied from 2019 onwards.

International rankings of civic space note improvements in the freedom to associate in larger umbrella organisations in 2019, before a sharp regression in 2020 due to the impact of the COVID-19 pandemic on lockdowns amidst weak Internet connectivity, as noted in the [2019](#) and [2020](#) CSO Sustainability Indexes for sub-Saharan Africa. Successive editions of [Freedom in the World](#) in 2019, 2020 and 2021 note the riskiness of public gatherings in both government and militia-controlled areas, despite constitutional guarantees for freedom of assembly. The government appears to have withheld authorisation for demonstrations by certain CSOs, such as the teachers' union in July 2021 according to the US Department of State's 2021 Human Rights [Report](#) on Mali. However, none of the civil society stakeholders consulted raised any concerns about organising meetings, workshops and trainings in the context of the EITI or other outreach to mining communities. There is no evidence that CSOs engaged in the EITI process have encountered difficulties in holding public meetings on the EITI or other extractive issues.

Engagement

Civil society appears involved in the design, implementation, monitoring and evaluation of the EITI process, primarily driven by members of the MSG and the PWYP Mali coalition. There are six full and six alternate members of the MSG from civil society, although alternate members have not attended any MSG meetings during this period. The attendance of the majority of full MSG members in meetings of the MSG, working groups and dissemination activities, although attendance at MSG meetings was slightly more consistent from representatives of the Coordination of Womens' NGOs Association of Mali (*Coordination des Associations et ONG Féminines du Mali – CAFO*), FDS and PWYP Mali than from the Consumer Association of Mali (*Association des Consommateurs du Mali – ASCOMA*), CAD-Mali and the Malian Network of Journalists Against Corruption (*Réseau Malien des journalistes pour la lute contre la corruption*). Most stakeholders consulted from different constituencies considered that civil society was a driving force of discussions on the MSG and in the EITI process, with several CSOs considering

that advocacy by civil society MSG members had been key to ensuring the replacement of the former National Coordinator in 2021 following allegations of mismanagement and interference in civil society constituency nominations procedures. While minutes of MSG meetings do not identify input from specific members, MSG members consulted considered that CSOs were the most active in shaping the design of EITI implementation and in participating in MSG discussions. Reports on Mali EITI dissemination activities for the 2016 EITI Report in [August 2019](#) and of the 2017 and 2018 EITI Reports in [November 2021](#) and in [December 2021](#) indicate that civil society MSG members participated in these activities. There is evidence that CSOs on the MSG had driven key EITI activities, including in being designated to lead the MSG's input to the Mali EITI [impact study](#) in 2020. It was also civil society MSG members who, in July 2021, blocked the adoption of the Mali EITI 2019 annual progress report on the grounds that it portrayed as completed certain activities that had not been undertaken. Civil society actors [took to the press](#) to criticise particular sections of the draft annual progress report.

The civil society nominations to the MSG are coordinated by PWYP Mali and involve the two largest CSO umbrella organisations in Mali, the National Civil Society Council (*Conseil National de la Société Civile* - CNSC) and the Civil Society Organisation Forum (*Forum des Organisation de la Société Civile* - FOSC). These two organisations were also involved in developing the constituency's [Code of Conduct](#), which was approved in May 2019 and establishes both constituency MSG nominations procedures and requirements in terms of consultation with the broader constituency. However, the Code of Conduct does not establish clear mechanisms for regular consultations beyond setting the expectation that the constituency be consulted and informed of EITI developments. In practice, the PWYP Mali coalition appears to coordinate the constituency through emails and ad hoc phone calls, according to stakeholder consultations and the civil society's input to the 'Stakeholder engagement' template. The constituency held one constituency consultation [workshop](#) in the period under review (June 2019 – April 2022) convened by PWYP Mali on 1 July 2021, focused on discussing the proposed implementing Decree for the new Mining Code and to air general views about the EITI process. A senior government official consulted considered that civil society was the driving force of discussions on the Mali EITI MSG. However, other CSOs and development partners not directly represented on the MSG raised concerns over the lack of substantial renewal in civil society's representation on the MSG over the past decade. While civil society MSG members consulted considered that the constituency coordination mechanisms were implemented in practice and ensured regular consultation with the broader constituency, some CSOs based in mining regions stated that they did not receive information from their representatives in Bamako. Civil society's input to the 'Stakeholder engagement' template notes that the 2020 Mali EITI work plan was shared with the broader constituency during a public workshop in July 2021, although it notes that it did not receive any input from CSOs outside the MSG in the development of the 2021 Mali EITI work plan or the 2020 annual progress report. Some development partners consulted raised significant concerns over the representativity of CSOs engaged in the EITI process and considered that there were few effective links with CSOs based in mining regions. One partner noted the example of the Mali EITI impact study, which was led by CSOs on the MSG, but organisations like PWYP Mali did not appear to have any network of organisations in mining regions. The MSG's comments on the draft assessment note that there are over 500 CSOs in Mali and argues that it would be challenging to consult all of these CSOs as part of EITI implementation, even it is not clear how many of these 500 are actually engaged in extractive industries. The comments also noted that some CSOs had decided not to engage in EITI implementation. The MSG argues that consultation with the broader civil society constituency has been hampered by broader constraints including the impact of the COVID-19 pandemic and political challenges since 2020.

There is evidence of some use of EITI data by civil society organisations, as well as efforts to disseminate information about both the EITI process and ongoing developments in the governance of the extractive industries. Civil society has published three reports making use of EITI data in the period under review, including two PWYP Mali reports on the [cost of subnational tax exemptions](#) in December 2019 and on [contract disclosure practices](#) in March 2021. The CSO CAD-Mali published a [May 2021 study](#) on the management of subnational transfers of 'la patente' collected from mining companies. Supported by OSIWA, the PWYP Mali coalition held [events](#) in the mining regions of Kayes and Bougouni in July 2020 to disseminate findings of the studies on the cost of subnational tax exemptions and the management of subnational transfers. The PWYP Mali coalition published a series of six newsletters in 2019-20, available on the Mali EITI [website](#), to disseminate some EITI information and opinion pieces on extractive industry governance. It also held three radio broadcasts in 2020, two of which related to implementation of the new Mining Code (one in [Bamako](#) and one in [Kayes](#)) and one related to a [general update](#) from PWYP Mali. The PWYP Mali coalition organised a press conference on 14 July 2021 to highlight its concerns over alleged mis-management by the then-National Coordinator, which was covered in the national [print](#) and [broadcast](#) media. It held a separate [press conference](#) on 16 July 2021 to call for the government to publish the transfer agreement related to the Yatela mine, which was transferred to the government in 2019, which was also covered on [national TV](#) and in a [radio interview](#). With support from OSIWA, the PWYP Mali coalition also held a one-day [capacity-building workshop](#) for civil society in Bamako in July 2020, aimed at building capacity in the use of the mining cadastral portal and around the importance and use of beneficial ownership transparency.

Access to public decision-making

Evidence of civil society's active engagement in outreach, dissemination and other EITI activities appears to indicate that the constituency is able to use its participation in the EITI process to promote public debate through public events, workshops and press statements. While this access to public-decision-making through the EITI appears driven primarily by MSG members rather than the broader constituency, civil society has used the EITI process to raise concerns publicly over the management of the Yatela mine, subnational transfers of revenues from mining companies, and to advocate for contract disclosure as well as legal and regulatory reforms, for instance in the implementation of the new Mining Code. There is little evidence that CSOs have used the EITI process to discuss sensitive issues such as allegations of mining rights awards to armed groups, which do not appear to have been discussed by the MSG to date. Several CSOs noted that they had proposed that the MSG discuss these issues, but that this proposal had not been taken forward. Several CSOs consulted noted that they did not feel comfortable discussing issues such as allegations of mining rights awards to armed groups outside of the EITI process, given the perceived importance of only discussing issues in public for which CSOs had documented evidence, which was not the case with such allegations. Nonetheless, available evidence in the Validation templates indicates that civil society is able to engage in activities and debates about natural resource governance, including through analysis in the three CSO reports that used EITI data published in the period under review, advocacy on issues such as contract disclosure and the management of subnational transfers, and their engagement with print and broadcast media. The PWYP Mali coalition has developed some tools to communicate information on the EITI process, such as the PWYP Mali newsletters in 2019-20.

There is evidence of some mechanisms for civil society participation in policy-making in the period under review, although these have been at a high level rather than creating opportunities for citizen input to public decision-making on extractive industry governance. Civil society was invited to participate in the 'Inclusive National Dialogue' in December 2019 and were involved in negotiations around the establishment of the transitional government after the August 2020 coup d'état, according to the CSO Sustainability Index for sub-Saharan Africa in 2019 and 2020. No such consultation mechanism appears to have been established following the second coup d'état in May 2021. In practice, there appear to be few mechanisms for civil society input to technical decision-making on extractive industry governance. There is no comprehensive freedom of information law in Mali, and while different laws include provisions for public access to certain government document, these clauses are often vague and unevenly implemented according to Freedom in the World 2019, 2020 and 2021. Nonetheless, several CSOs consulted considered that their participation in the EITI process and membership of the MSG provided them with greater standing to influence public debate and ultimately policy-making through their media interventions. There is for instance evidence that CSO MSG members provided input through the MSG to the development of the November 2020 Government Decree implementing the 2019 Mining Code.

Assessment

The Secretariat's assessment is that Requirement 1.3 is mostly met, an upgrade from 'partly met' in the draft assessment. In its final assessment, the Secretariat it considered new evidence provided by the MSG in the commenting period.

Civil society representatives on the MSG appear to be fully, actively and effectively engaged in the EITI process. Available documentation and stakeholder consultations indicate that civil society MSG members are a key driver of EITI implementation, including in the design of the EITI process, MSG discussions and EITI-related outreach and dissemination. Since the previous Validation, the civil society constituency has agreed and published a Code of Conduct to structure its nominations to the MSG and codify statutory requirements for regular consultations of the broader constituency. The last nominations to the MSG involved the two largest CSO umbrella organisations in Mali but led to the reappointment of the majority of civil society MSG members that have participated since the start of Mali's EITI implementation in 2007. The MSG's comments on the draft assessment argued that the civil society constituency was only established in 2019 and thus that three-year term limits (renewable once) should only apply from 2019 onwards. In practice, civil society has undertaken outreach and dissemination activities.

There is less evidence of regular consultations with the broader civil society constituency on EITI implementation issues in practice. The majority of Bamako-based CSOs consulted considered that the coordination mechanisms were effective in practice. Yet some CSOs based in mining regions and not substantially engaged in the EITI process considered that there was little outreach to CSOs outside of the capital city. The MSG's comments argue that it is not possible to consult the more than 5,000 CSOs operating in Mali and note that workshops to canvass the broader constituency were hampered by broader constraints linked to the impact of the COVID-19 pandemic and political challenges since 2020.

Despite constitutional and legal provisions ensuring freedoms of expression, operation and assembly, there is evidence of broader constraints in civic space in Mali. Arbitrary arrests of journalists in the context of the violent insurgency appear to have created conditions for self-

ensorship by journalists and civil society activists, as documented by the United Nations. The United Nations has also documented human rights abuses by the government armed forces and insurgents during this period. Bans on public demonstrations and violent dispersal of protests in 2020-22 have curbed civil society's ability to stage public demonstrations. While not related to direct government constraints, civil society's ability to access international funding has been severely impeded since January 2022, when international sanctions on Mali were enacted by UEMOA. There are significantly different views among stakeholders consulted on the extent to which these broader constraints have impacted civil society's engagement in the EITI process and public debate on natural resource governance. Most stakeholders from civil society, government and industry considered that these broader constraints had not impacted the broader civil society constituency's engagement in the 2019-22 period. The MSG's comments on the draft assessment argue categorically that there are no government constraints on civil society's freedom of expression in relation to the EITI process or the extractive industries in general. They argue that the ban on certain foreign media had no impact on EITI implementation in Mali. However, some development partners and a few community based CSOs not engaged in the EITI process but working on mining issues considered that the broader constraints had an impact on all CSOs working on extractive issues, given allegations of pervasive self-censorship due to fears of reprisals that could include disappearance or execution by officials of the transitional government. Some stakeholders consulted considered that there were direct government restrictions on freedom of expression on topics of natural resource governance such as license awards and transfers, environmental impacts of mining and management of extractive industry revenues.

The Secretariat's initial view was that, despite the views of the majority of Mali-based stakeholders consulted for this Validation, there were credible allegations of self-censorship due to fear of reprisals from government officials that may affect members of civil society substantially engaged in the EITI process due to limited discussion on sensitive issues.

The CSO members of the MSG disagreed. In the commenting period the CSO members on the MSG engaged in debate formats to demonstrate their ability of to discuss issues of public concerns openly. The following activities were highlighted:

- a meeting between CSO members and the licensing authority (the DNGM) with the objective to understand the licensing process and confirm the absence of licenses granted to armed groups – [the meeting was subject to a TV report](#);
- a [debate with journalists, CSO members and a technical advisor to the Minister of mines](#), where the opportunity was given to the audience to discuss hot topics like freedom of expression and freedom of the press (including the cases of the international media that were suspended in Mali), contract transparency, alleged licensing to armed groups, the transfer of the Yatela mine to the government, the Chinese involvement in ASM, pollution due to mining activities,
- other [radio](#) or [TV debates](#) where similar topics were discussed.

The proactive engagement of civil society MSG members must be weighed against the lack of evidence of meaningful consultations with the broader constituency, particularly in the regions hosting either industrial or artisanal and small-scale mining operations even if mobility constraints linked to the broader security situation must be acknowledged. Links between Bamako-based CSOs and civil society in communities affected by mining are weak, which affects

representation in the EITI and appears due to CSOs' capacity and resource constraints as well as the broader security situation in many extractive regions. Civil society representatives consulted on the MSG did not consider that there was a need to refresh the constituency's MSG representation. Yet the lack of evidence of regular consultation and coordination mechanisms between Bamako-based CSOs engaged in the EITI process and community-based CSOs working on mining issues is a significant concern that was echoed by some community-based CSOs and several development partners consulted.

In addition, the Secretariat has identified breaches of the EITI protocol: Participation of civil society related to expression (Provision 2.1). Civil society actors working at the community level on extractives-related issues have experienced harassment for expressing critical views, in a process that appears to have been systematic for those involved and in a context of significant violence linked to the anti-terrorist efforts, but there is no broader evidence of systematic repression. While the government's legal reforms to protect human rights defenders are welcome in practice, apparent impunity around extrajudicial killings and unlawful detention continues to pose challenges in practice.

While the environment for free public expression has deteriorated since the second coup d'état, particularly in 2022 with the ban of certain international media, the assessment of Requirement 1.3 and adherence to the EITI protocol: Participation of civil society can be considered as mostly met. In accordance with Requirement 1.3, and the EITI protocol: Participation of civil society, the government should ensure that civil society, including non-MSG members, can express views related to any aspect of the EITI Standard, including the environmental impact of mining, without fear of reprisal. The MSG should discuss necessary measures to achieve this, involving key stakeholders such as state security agencies and civil society from communities affected by mining. The central government is expected to take appropriate measures to ensure that local governments respect freedom of expression and that any cases of violence or unlawful detention related to expression of views on natural resources are investigated and prosecuted. Civil society coalitions engaged in the EITI process should liaise with their broader constituency, including civil society in communities affected by mining. The constituency is expected to strengthen its representativeness by refreshing its representation on the MSG through a free, open and inclusive nomination process that strikes a balance between renewal of representation and preservation of institutional knowledge about the EITI process.

Annex B: Assessment of Requirements 2.2, 2.3 and 2.4 on licenses and contracts

Methodology

Due to concerns expressed by stakeholders related to transparency in the management of mining rights in Mali in the period under review (June 2019 – April 2022), the International Secretariat's Validation team has conducted a detailed assessment of Mali's adherence to EITI Requirements 2.2, 2.3 and 2.4 related to contract and license allocations, license register(s), and contract disclosure.

The assessment follows the Validation Guide, which defines guiding questions and related evidence that should be considered in assessing transparency in the allocation, transfer, management and disclosure of licenses and contracts.⁷ For contextual purposes, the Validation provides an overview of the broader trends in the statutory framework and allegations related to actual practices in the award and management of extractive rights. The assessment reviews disclosures related both to the latest year (2019) covered in Mali's EITI Reports and practices in 2020-22 based on publicly available sources.

A call for stakeholder views on progress in EITI implementation was launched on 1 March 2022, in accordance with the Validation procedure. The Secretariat did not receive any responses to this call for views. The assessment draws on the information provided in the Transparency file, in the EITI Report, in official government sources, in secondary sources, and in stakeholder consultations.

Overview of broader environment for the management of extractive rights in Mali

Mining: The legal framework for licensing in the mining sector evolved during the period under review in this Validation. In 2019, the most recent year covered by Mali's EITI reporting, the award and transfer of mining rights was conducted on the basis of the [2012 Mining Code](#). In September 2019, the government enacted a new Mining Code through Ordonnance [2019-022/P-RM](#), whose implementing Decree [2020-0177/PT-RM](#) was issued in November 2020. Thus, all mining rights awarded since November 2020 were required to be issued on the basis of the 2019 Mining Code. The number of mining license awards has risen since the implementation of the new Mining Code according to data from Mali's mining cadastral [portal](#). The number of mining license awards declined from 247 in 2019 to 128 in 2020, before rebounding sharply to 361 in 2021 and 56 in the first quarter of 2022.

Alongside the dozen producing industrial mines, Mali hosts extensive artisanal and small-scale mining activities, with some 300-500 producing sites according to third-party estimates including from the [OECD](#). Artisanal mining authorisations in Mali are awarded by the mayor following decentralisation of the oversight of artisanal mining, although there are also extensive informal and illegal artisanal mining activities undertaken both by individuals and insurgent groups including the al-Qaeda-linked *Jama'at Nasr al-Islam wal Muslimin* and *Islamic State in the Greater Sahara* according to sources including the [International Crisis Group](#). National and

⁷ <https://eiti.org/document/2021-eiti-validation-guide>.

international media coverage, both [print](#) and [broadcast](#), has documented large-scale Chinese investment on artisanal mining authorisations delivered by mayors. Some development partners noted that the ownership and financing of much of the gold ASM was linked to politically exposed persons, but that there was a general silence about this in the press. Estimates of gold production from ASM vary from 6 tons a year according to government data to between 20 and 40 tons a year according to estimates from the [OECD](#) in 2018 (see *Requirement 3.2*).

More recently, there have been allegations of mining prospecting activities by individuals linked to a Russian private military contractor (Wagner Group) in regions in the south of Mali including Koulikoro, Menankoto and Sikasso in the media and in think tank publications including the [European Council on Foreign Relations](#), the [Foreign Policy Research Institute](#), the [Brookings Institute](#) and the [Center for Strategic and International Studies](#). International media coverage has noted allegations from the United States Government that the official costs associated with the Russian military training totalled EUR 10m a month. Media allegations surfaced in late 2021 and early 2022 that a proposal was under development to offer award mining rights awards in payment for the purchase of these military goods and services. Speaking to the National Transitional Council (CNT) in April 2022, Prime Minister Choguel Kokalla Maïga stated that the source of funding for purchases of military equipment was not to be disclosed to the public, as reported in [national](#) and [international](#) media. Most stakeholders consulted categorically rejected the allegation that mining rights had been awarded by the state to armed groups such as the Wagner Group. While some community-based CSOs not engaged in the EITI process and some development partners considered that it was possible that such mining rights were awarded to armed groups in exchange for military equipment, none of the stakeholders consulted could provide any documentary evidence of these allegations. Some development partners considered that payments to armed groups and for military equipment could be financed off-budget through politically-exposed persons drawing on their control of ASM mines to smuggle the gold to the United Arab Emirates and use the proceeds to purchase weapons in Russia. Analysis of 2016 Mali and UAE trade statistics by [Reuters](#) highlights the significant level of informal trade in gold between the two countries.

Oil and gas: Since 2012, Hydroma Inc. (Ex-PETROMA) is the only remaining operator in Mali, on Block 25. There has been no new oil and gas license or contract awards or transfers since then.

Contract and license allocations (Requirement 2.2)

Mining: Mali's 2019 EITI Report marked an improvement on disclosures on the statutory procedures for licensing since the previous Validation by clarifying the absence of codified technical or financial criteria assessed in mining licensing (both awards and transfers) under the 1999 Mining Code. Mali's 2019 EITI Report lists the number and identity of mining licences granted and transferred in the year under review. However, while the full text of the report cites that 226 licenses were awarded in 2019, Annex 8 of the report lists 246 license awards for that year, a number more in line with the information in the mining cadastral [portal](#). The one mining license listed in the cadastre that is not listed in annex to the 2019 EITI Report is gold exploration license [PR 2817/19](#) in the district of Yatia-Sud awarded to Catalyst Ressources SARL (which was not considered a material company in the 2019 EITI Report) in December 2019. Of greater concern than the minor discrepancy in mining license award data is the 2019 EITI Report's coverage of transfers of mining rights. While the report lists three mining license transfers in 2019, the transfer of ownership in the Yatela mine from IAMGold and AngloGold

Ashanti to the state in 2019 is not mentioned at all in the 2019 EITI report despite significant [press](#) coverage and [advocacy](#) by the PWYP Mali coalition at the time of preparing the 2019 EITI Report in 2021. The Yatela mining license (license [PE 483/00](#)) is marked as cancelled in the Ministry of Mines, Energy and Water's cadastral portal. In its comments on the draft assessment, the MSG noted that, despite civil society advocacy implying the contrary in recent years, the Yatela mining license had not yet been transferred to the state to date.

The 2019 EITI Report includes a cursory summary of the IA's review of a sample of five license awards out of the '226' (as cited in the full-text report) license awards in 2019 and the three transfers. However, the report does not describe the methodology for assessing non-trivial deviations in the award and transfer of these licenses, simply stating that the assessment is that there were no non-trivial deviations from statutory procedures in license awards and transfers in the year under review. The five license awards and three license transfers reviewed do not appear to have considered the other 20 license awards listed in annex to the EITI Report, nor the transfer of the Yatela mine. Stakeholders consulted did not express particular views on any deviations in licensing practices, although most considered that the objective of transparency practices had been achieved through the mining cadastre and the EITI Report. A development partner noted that the authorities did not yet use the MCAS feature to process applications online. In its comments on the draft assessment, the MSG highlighted this separate note published on its review of a sample of mining license awards in December 2019.

The pace of mining license awards slowed in the middle of 2020 pending enactment of the implementing Decree for the 2019 Mining Code, it rose sharply in the last two months of the year to a total 128 for the year. The growth continued with 361 license awards in 2021 and 56 in the first quarter of 2022. While transfers of mining licenses are not tracked in the cadastral portal (despite the availability of a 'license history' function on the MCAS cadastral system that the government is not currently using), the Mali EITI website [published](#) a list of 15 mining license transfers that took place between October 2020 and April 2022, including the Ministerial Orders (*arrêtés*) awarding the original licenses and those approving the transfers of each of the 15 licenses transferred in this period, as well as Ministerial Orders (*arrêtés*) approving the renewal of six mining licenses in the period 2019-22. Mali's 2019 EITI Report provides an overview of the key changes in licensing procedures under the 2019 Mining Code. Government officials consulted explained that the rise in license awards was partly due to pent-up demand pending implementation of the new Mining Code in November 2020. There is no evidence of license awards to companies with known links to armed groups, based on a cursory review and stakeholder consultations. The pace of international media coverage of allegations of mining rights awards to the Wagner Group subsided in April 2022, without any clear evidence of whether any such rights were ever awarded. The [European Council on Foreign Relations](#) argued that the proposed deal had not been concluded due to a lack of interest in the mining assets. There is no evidence in MSG meeting minutes of any discussion of allegations of awards of mining rights to armed groups. Some civil society stakeholders consulted noted that they were asked about such issues regularly but considered that such discussions should take place in the EITI. None of the stakeholders consulted could explain why the MSG had not discussed such allegations involving the award of mining rights, despite MSG members consulted confirming that any member was entitled to propose any additional issues for MSG discussion. Technical assistance providers consulted noted that mining rights (other than artisanal mining rights) could not be awarded by the Ministry while using the MCAS system for processing the awards, although there was always the opportunity to circumvent the system entirely if authorities intended to keep an agreement 'secret'.

Mali has not yet used its EITI reporting to cover artisanal and semi-mechanised mining. While it has sought to describe the role of government purchasing houses (*couloirs d'achat*), it has not described the significant informal mining. Given that the award of artisanal mining authorisations has been decentralised to mayors, the awards of artisanal mining rights have not been covered in Mali's EITI reporting to date. The number of artisanal mining rights granted by mayors remains unknown based on a review of available documents and stakeholder consultations, and no estimates of the number of granted artisanal mining rights has been included in Mali's EITI Reports to date. Mali EITI does not appear to have yet had a detailed discussion of artisanal and small-scale mining, including the identity of financiers of such activities, nor followed up on recommendations in Mali's 2016 EITI Report to undertake a dedicated study of artisanal and small-scale mining. In its comments on the draft assessment, the MSG noted that it had reviewed the materiality of payments associated with artisanal and small-scale mining licenses and had concluded that they were not material, but that the 2019 EITI Report had nonetheless provided the government's unilateral disclosure of revenues from companies holding such licenses. The MSG's comments did not clarify the reasons why it did not review the practices of awards and transfers of artisanal and small-scale mining licenses however. The comments noted that artisanal mining activities were only allowed in artisanal mining corridors and that artisanal mining activities in other areas were entirely informal.

As noted in the overview of this Annex, Mali hosts extensive artisanal and small-scale mining activities, with some 300-500 estimated producing sites. Artisanal mining authorisations in Mali are awarded by the mayor following decentralisation of the oversight of artisanal mining. There are also extensive informal and illegal artisanal mining activities undertaken both by individuals and insurgent groups. None of those types of license allocations are reviewed as part of EITI reporting, as Mali EITI has only covered larger-scale mining exploration and production activities.

Oil and gas: The 2019 EITI Report confirms that there were no oil and gas license awards or transfers in the year under review. An online media review and stakeholder consultations did not indicate any awards or transfers of oil and gas licenses in the period since 2019. Nonetheless, Mali has continued to use its EITI reporting to describe statutory procedures for petroleum license awards, including technical and financial criteria assessed.

Assessment: The Secretariat's assessment is that Requirement 2.2 is partly met. While the MSG made efforts to address corrective actions from the previous Validation, it has steered clear from discussing license allocations and transfers that have been the centre of public debate, such as the transfer of ownership of the Yatela mine to the state in 2019 or the semi-industrial nature of operations on many artisanal and small-scale permits, of key relevance to the government's mining formalisation strategy through the creation of 'artisanal mining corridors' (*'couloirs d'exploitation artisanale'*). There is no evidence that Mali EITI has expanded the coverage of its EITI reporting to semi-mechanised mining licenses granted by the Ministry of Mines, Energy and Water (on consultation with the relevant mayor). The lack of discussion of these licensing issues within the framework of Mali EITI is a significant concern and hinders a comprehensive assessment of whether statutory procedures for awarding and transferring mining rights are followed in practice. Most stakeholders consulted from all constituencies considered that the objective of transparency in licensing practices was achieved through Mali's EITI reporting. However, the Secretariat's view is that the review of the practise of license allocation is insufficient and still some distance from the objective of transparency in licensing practices given the lack of Mali EITI attention to important public debates related to the mining sector, such as license transfers and renewals that form an importance focus of public debate.

In accordance with Requirement 2.2, Mali should ensure that information on mining, oil and gas license transfers is publicly disclosed, including the identity of licenses transferred and the process for transferring licenses, including technical and financial criteria assessed and an assessment of any material deviations from the applicable legal and regulatory framework governing license transfers and awards in license awards and transfers in the period under review by EITI reporting. Where companies hold licenses that were allocated prior to the period covered by EITI implementation, Mali is encouraged to disclose the information set out in Requirement 2.2.a on those license awards. To strengthen implementation, Mali EITI may wish to include additional information on the allocation of licenses as part of the EITI disclosures, which could include commentary on the efficiency and effectiveness of licensing procedures, and a description of procedures, actual practices and grounds for renewing, suspending or revoking a contract or license. To strengthen implementation, Mali is encouraged to consider following up on past Mali EITI recommendations to undertake a dedicated study of artisanal and small-scale mining with a view to increasing transparency in licensing practices in this segment of the extractive industries that garners significant public interest.

License register(s) (Requirement 2.3)

Mining: The Ministry of Mines, Energy and Water maintains a publicly-accessible mining cadastral [portal](#), based on the MCAS system from the Revenue Development Foundation (RDF) that appears to cover all active mining licenses. Artisanal mining authorisations are not covered by the cadastral system, given that their authority for awarding such rights has been devolved to mayors. There were 2,644 active mining licenses listed in the online cadastral portal as of the commencement of Validation (1 April 2022), a significant increase on the 662 active mining licenses in the period (2016) reviewed by the previous Validation. Mali has used its EITI reporting to provide an overview of the licenses listed in the mining cadastre and the 2019 EITI Report confirms that the cadastre covers all active mining licenses. The 2019 EITI Report includes a recommendation (recommendation 10.2.2) to integrate information on license transfers in the cadastral portal, alongside data on production, sales, and on contracts related to each production license. Most stakeholders consulted considered that the mining cadastre covered all active licenses. While some development partners alleged that there could have been awards of mining rights outside of the statutory procedure through some form of secret agreement between the National Transitional Council (CNT) and certain armed groups, they did not provide any categorical confirmation of this allegation nor any supporting documentation. A technical assistance provider stated that the cadastre covered all licenses awarded through the statutory procedure and, while conceding that it was possible that a secret agreement could have been concluded involving the award of mining rights outside of statutory procedures, expressed scepticism that such a secret agreement had actually been concluded in practice.

The 2019 EITI Report's follow up on recommendations from previous EITI Reports notes an initial meeting held between the National Geology and Mining Department (DNGM) and the government's Mining and Energy Sector Planning and Statistics Cell (*Cellule de Planification et de statistique du secteur mines et énergie* – CPS) as follow up on a recommendation in the 2017 EITI Report to resolve significant discrepancies between mining license data held by the two government entities. The 2019 EITI Report is transparent that significant discrepancies between the two sets of mining license lists remain and that further work will be required to ensure the comprehensiveness of mining license registers.

Oil and gas: Mali has used its EITI reporting to disclose limited information on the sole remaining active oil and gas exploration contract, covering Block 25 and held by Hydroma Inc (ex-PETROMA), in the absence of a functional petroleum license register. There is no information on this petroleum contract disclosed on any government website. Although the corporate [website](#) of Hydroma Inc. provides some basic information on Block 25 (dated from 2007), including the name of the license-holder, license number and license coordinates, while the Hydrocarbons Code confirms that petroleum licenses cover both crude oil and natural gas, the dates of application, award and expiry are not disclosed. However, the six amendments to the contract for Block 25 (concluded between 2008 and 2019) published on the Mali EITI [website](#) confirm that the contract was awarded on 29 March 2007 and provides the date of expiry (of 27 March 2022) of the contract in accordance with the sixth amendment in March 2019. However, the status of Block 25 as of the commencement of Validation (April 2022) was unclear based on review of publicly-accessible documents and stakeholder consultations. However, the MSG's comments on the draft assessment noted the recent publication of the amendment to the sole oil and gas contract that extended its period of validity to March 2025.

Assessment: The Secretariat's assessment is that Requirement 2.3 is fully met. Most stakeholders consulted from all constituencies considered that the objective of transparency in extractive property rights had been achieved through the real-time updates to the mining cadastral portal and 2019 the EITI Report's coverage of the sole active petroleum license. However, two development partners consulted expressed strong reservations and considered that the objective was partly met, due to allegations of the potential award of mining rights to armed groups through secret agreements that were not reflected on the cadastral portal. However, these two stakeholders did not provide any documented evidence or categorical confirmation that such secret agreements awarding mining rights had in fact been concluded as of the commencement of Validation (1 April 2022). The Secretariat's view is that the objective is fulfilled given the public availability of information on all licenses held by material companies.

Mali has used its EITI reporting to provide an overview of the Ministry of Mines, Energy and Water's mining cadastral system, although it has not yet undertaken a review of the comprehensiveness of the cadastre. The cadastral portal provides all information listed under Requirement 2.3.b for the 2,644 mining licenses active at the commencement of Validation. However, some development partners consulted expressed scepticism over the comprehensiveness of mining rights covered by the cadastre and considered that there could be 'secret' agreements awarding mining rights that may not have been recorded in the cadastre, even if they did not provide tangible evidence or categorical statements that this was the case. Most stakeholders consulted from all constituencies categorically rejected this allegation. The Secretariat considers that the lack of sufficient MSG follow-up on previous (2017) EITI Report recommendations to review the comprehensiveness and reliability of license data in the mining cadastre (given differences in mining license information from the DNGM and the CPS), combined with a lack of discussion of media allegations of so-called 'secret' mining license awards, is a concern, although this is covered under Requirement 2.2. A review of a random sample of licenses in the mining cadastral portal indicates that there appear to be some inconsistencies in the license data, with the dates of award of several licenses pre-dating the related dates of application. However, these licenses are not held by material companies.

With regards to oil and gas licenses, the Secretariat continues to consider that the lack of information on the date of application for Block 25 remains a marginal gap, in line with the assessment in the previous Validation. However, In addition, while most other information listed

under Requirement 2.3.b can be reconstituted based on publicly-accessible information, and the current date of expiry of the sole active petroleum license remains does not remain unclear anymore as per the codicil shared by the MSG in its comments. given that the latest publicly available amendment to the contract (the sixth amendment in March 2019) lists the date of expiry as March 2022. Stakeholders consulted did not provide an explanation of the current status of the petroleum license. While stakeholder consultations confirmed the lack of activity on the sole active petroleum license, the Secretariat considers that the lack of updated information on the status of the petroleum license is a concern given new efforts by the government to promote investment in the sector, partly reflected in the establishment of the new independent regulator for the sector, the National Petroleum Research Office (ONRP) in 2020. However, the MSG's comments on the draft assessment noted the recent publication of the amendment to the sole oil and gas contract that extended its period of validity to March 2025.

To strengthen implementation, Mali is strongly encouraged to ensure that its publicly-accessible mining cadastre system includes information about licenses awarded by the national government and held by all entities, including companies and individuals or groups that are outside the agreed scope of EITI implementation, and is urged to follow up on recommendations from past Mali EITI Reports to resolve discrepancies in active mining lists across different government departments such as the National Geology and Mining Department (DNGM) and the government's Mining and Energy Sector Planning and Statistics Cell (*Cellule de Planification et de statistique du secteur mines et énergie* – CPS). Any significant legal or practical barriers preventing such comprehensive disclosure covering all extractive rights including artisanal mining permits should be documented and explained, including an account of government plans for seeking to overcome such barriers and the anticipated timescale for achieving them.

Contract disclosure (Requirement 2.4)

Government policy: Mali has used its EITI reporting to clarify the practice of public disclosure of extractive contracts,. The 2019 EITI Report does not comment on the existence of any government policy on contract disclosure, while the 2018 EITI Report stated that there was no such codified policy in place. However, Article 18 of the [2019 Mining Code](#) states that all mining contracts, including annexes, amendments and riders, are required to be published on the Ministry of Mines' website. Article 21 of the November 2020 [implementing Decree](#) also states that the template contract is available to the public. In addition, the ministerial orders (arrêtés) constituting licenses contain a standard clause indicating that states that the order will be "registered, disclosed and communicated wherever there is need", There are no such provisions related to contract or license disclosure in the [2015 Hydrocarbons Code](#) nor its implementing regulations. There does not appear to be a clear government policy on the public disclosure of the full text of extractive licenses, nor on the publication of petroleum contracts. Government officials consulted stated that the government's policy was in favour of publishing the full text of contracts and licenses, as evidenced by the publication of a large number of contracts in recent months. Some CSOs consulted raised concerns over the outstanding gaps in publication of certain contracts and licenses, in particular the lack of publication of contract amendments that was considered a particular challenge given the existence of multiple amendments. In its comments on the draft assessment, the MSG confirmed that the Mining Code codified the requirement for all mining contracts to be published,.

Mining: Mali has used its EITI implementation to publish some, but not all, of the active contracts in the mining sector. The 2019 EITI Report provides a list of 12 mining contracts published on

the Ministry of Mines, Energy and Water [website](#) and notes that a total of 30 mining contracts have been published on the Mali EITI [website](#) at the time of publication of the EITI Report (March 2022). While the EITI Report does not list the 30 published contracts, nor confirm whether annexes, amendments and riders related to each have been published, it does state that the list of mining contracts published on the Mali EITI website is not comprehensive of all mining contracts and licenses awarded since 1 January 2021. In 2021, the MSG agreed and published a [plan](#) for the publication of 25 mining contracts concluded between 1 January and 16 April 2021, although there is no evidence that this plan has since been updated to cover contracts awarded after April 2021. Since the publication of the 2019 EITI Report, another 100 mining contracts were published on the Mali EITI [website](#) bringing the total to 130 published contracts, including 107 contracts awarded since 1 January 2021. It remains unclear from available evidence and stakeholder consultations whether the 107 post-2020 mining contracts published on the Mali EITI website is comprehensive of all mining contracts awarded and amended between 1 January 2021 and 1 April 2022. There is no evidence that the full text of mining licenses is publicly disclosed in Mali. While the MSG's 'Transparency' template for this Validation references the mining cadastral portal, the portal does not provide the full text of each license. While the official gazette ([journal official](#)) publishes the Ministerial Orders (*arrêtés*) approving the award and transfer of mining licenses, it does not publish the full text of each license. Mali EITI has not clarified whether the text of all mining licenses is pro forma, based on a review of the full text of all active mining licenses. According to the mining cadastral [portal](#), there were a total of 417 mining licenses awarded between 1 January 2021 and 1 April 2022, none of which appear to be published in full.

Mali EITI does not yet appear to have undertaken a comprehensive review of the status of publication of all mining contracts and licenses, including annexes, amendments and riders, nor published a comprehensive list indicating which documents have yet been published and which have not. However, PWYP Mali published a [study](#) on the status of contract disclosure in the mining sector in March 2021, which highlighted the lack of comprehensive publication of mining contracts. It noted that 12 mining contracts were published on the Ministry of Mines, Energy and Water website and 22 mining contracts on the Mali EITI website as of December 2020. It also highlighted the lack of consistent publication of annexes and amendments. The study quotes explanations from government officials that mining exploration contracts have not yet been published given their length of over 40 pages on average. This was echoed in consultations with government officials, who noted that the Mali EITI website could not publish documents larger than 5MB. However, the study notes the lack of satisfactory explanations for the lack of publication of contract amendments. While the PWYP Mali study lists the published contracts, it does not include a comprehensive list of all active mining licenses and contracts, highlighting which documents have not yet been published. The artisanal mining authorisations are not published in practice.

Oil and gas: The full text and annexes to the sole active (since 2012) petroleum contract related to Block 25 has been published on the Mali EITI [website](#), along with the seven [amendments](#) concluded in 2008, 2011, 2013, 2016, 2017, 2019 and 2022.

Assessment: The Secretariat's assessment is that Requirement 2.4 is partly met. Several civil society stakeholders consulted considered that the objective of transparency in extractive agreements was partly met, given efforts to disclose a greater number of mining contracts in recent months, even if gaps in publication of certain documents remained. While industry representatives consulted did not express views on progress towards this objective, some

government officials considered that the objective had been fulfilled due to the concrete plans by Mali EITI to ensure comprehensive publication of all mining contracts. The Secretariat's view is that the objective is partly fulfilled, given the publicly codified government policy on contract disclosure and the greater number of mining contracts published. However, major issues remain, like the lack of comprehensive review by Mali EITI of the specific gaps in contract disclosure to date and the lack of publication of most amendments to mining contracts, which constrain public understanding of the current terms of active mining contracts. The Mali EITI publication plan appears to only have consisted of a snapshot as of April 2021, rather than a systematic plan for publishing all new (or newly amended) contracts.

Mali has used its EITI implementation to disclose some 130 active mining contracts. While the 2019 Mining Code includes provisions for the publication of all mining contracts, including annexes, amendments and riders, it does not appear to cover mining licenses despite defining licenses as a separate category from contracts. However, a standard clause within the licenses ("arrêtés") states that the license will be "registered, disclosed and communicated wherever there is need". The November 2020 implementing Decree to the 2019 Mining Code indicates that the model contract template is available to the public. In its comments on the draft assessment, the MSG confirmed that the Mining Code codified the requirement for all mining contracts to be published and asked for an upgrade to 90 points.

However, in the oil sector, there are no provisions to contract and license disclosure in the 2015 Hydrocarbons Code or its implementing regulations.

The 130 extractive contracts published on the Mali EITI website include 107 contracts awarded since 1 January 2021, although it is unclear whether this is comprehensive of all mining contracts awarded or amended since the start of 2021. The sole active petroleum contract has been published, including annexes and six amendments concluded between 2008 and 2022. Opinions of stakeholders consulted were split over whether there had been any new amendments to mining contracts concluded since the start of 2021. The MSG has been transparent about gaps in publication of certain (unspecified) mining contracts awarded since the start of 2021, but has not yet published a comprehensive list of all active extractive licenses and contracts, including annexes, amendments and riders, indicating which have been publicly disclosed and which have not. The Mali EITI publication plan appears to only have consisted of a snapshot as of April 2021, rather than a systematic plan for publishing all new (or newly amended) contracts. While a number of mining contracts awarded since 2021 was published in March 2022, there is no publicly accessible comprehensive list of mining contracts and licenses that clearly identifies all contractual documents and confirm the public accessibility of all documents related to contracts and licenses awarded since the start of 2021. In its comments on the draft assessment, the MSG argued that all mining contracts had been published up to 1 April 2022 but that "some" annexes had not yet been published. The comments argued that a list of all mining contracts had been published on the EITI Mali website, although [this list](#) only covers 35 contracts. Thus, the Secretariat maintains major concerns over the comprehensiveness of this list of licenses and notes the MSG's confirmation that several annexes have not yet been publicly disclosed. In addition, the MSG's comments noted the lack of clarity on the rules related to the public disclosure of petroleum contracts and licenses. The Secretariat's view is that several technical aspects of Requirement 2.4 have been fulfilled, with the codified government policy on contract transparency and the high number of contracts and annexes published. However, comprehensiveness remains an outstanding major issue.

In accordance with Requirement 2.4, Mali should disclose any contracts and licenses that are granted, entered into or amended from 1 January 2021. Mali is encouraged to publicly disclose any and all contracts and licenses that provide the terms attached to the exploitation of oil, gas and minerals. It is a requirement include an overview of which contracts and licenses are publicly available. Mali should provide a list of all active contracts and licenses, indicating which are publicly available and which are not. For all published contracts and licenses, it should include a

reference or link to the location where the contract or license is published. If a contract or license is not published, the legal or practical barriers should be documented and explained. Where disclosure practice deviates from legislative or government policy requirements concerning the disclosure of contracts and licenses, an explanation for the deviation should be provided.

Annex C: Political context of the EITI Board-mandated focus of this Validation

At its [52nd meeting](#) in February 2022, the EITI Board mandated the International Secretariat to proceed with the Validation of Mali scheduled to commence on 1 April 2022, albeit with an increased scrutiny of the EITI protocol: Participation of civil society and adherence to Requirement 2, including ensuring full disclosure of contracts and licenses issued and transferred during the military regimes since 2020. A dedicated review of adherence to the EITI protocol: Participation of civil society is provided in Annex A, while a review of adherence to EITI Requirements 2.2-2.4 on license and contract allocation, registers and disclosure is provided in Annex B of this Validation report.

Following popular protests that were violently repressed leading up to and following elections in March-July 2020, the recently elected government was overthrown by the Malian armed forces in August 2020. This political unrest comes in the context of anti-terrorist operations by European forces led by France in the country since 2013 under the operation Barkhane. Mining sites have been particular targets for insurgents. In the northern area of Gourma, for example, two Islamist groups (the al-Qaeda-linked *Jama'at Nasr al-Islam wal Muslimin* and *Islamic State in the Greater Sahara*) who had been old collaborators but since June 2020 had been engaged in violent conflict, including for control of mining sites according to the [Financial Times](#). The two insurgent groups have extended their activities to central and southern regions of Mali, including in San, Koutiala and Sikasso.

In May 2021 a faction of the same military conducted what was categorised as a 'coup within a coup' by the [international press](#) at the time. Despite pledges to hold elections within 18 months of the second coup d'état, the ruling junta in November 2021 postponed elections planned for February 2022 indefinitely, citing security reasons. The Economic Community of West African States (ECOWAS) imposed sanctions on Mali and junta officials following the May 2021 coup d'état, while the West African Economic and Monetary Union (UEMOA) instructed its financial institutions to suspend Mali (including its access to the single Treasury account at the regional central bank) in January 2022, following the indefinite postponement of elections. International commercial banking transactions and the government's access to funds from the regional central bank (*Banque Centrale des États de l'Afrique de l'Ouest* – BCEAO) have been interrupted since then. The ECOWAS sanctions on Mali were [lifted](#) in July 2022, following the agreement on an electoral calendar providing for the end of the transition in 2024.

The impact on the country's [credit rating](#) and domestic [economic conditions](#) has been significant. International support from Western partners swiftly [deteriorated](#) after the May 2021 coup, building on the [disillusionment](#) over the success of counterterrorism operations since 2012. Mali [expelled](#) France's ambassador in February 2022, leading to the announcement of the withdrawal of French troops from the country and the reduction in [EU military cooperation](#) as well as the US [stripping](#) Mali of African Growth and Opportunity Act (AGOA) benefits. The government's inability to access accounts at the BCEAO forced it to make a technical default on its repayment obligations to international donors, which led to the suspension of multilateral development grant and loan disbursements.

As Western countries have withdrawn from Mali, Russia appears to have provided diplomatic and military support to Mali, building on a [legacy](#) of Cold War cooperation since the 1970s. The Russian government has [blocked](#) UN support for the sanctions imposed by ECOWAS. Russian

companies have continued to deliver weapons to Mali and the government has contracted Russian private military contractors, although the degree of their activities remains contested between Mali and the international community. The government has [maintained](#) that the Russian military deployment is in a training capacity related to Russian weapons sales to Mali and for Very Important People (VIP) security, while Western government sources (particularly [France](#) and the [United States](#)), echoed through international [think tanks](#) and [press](#), have alleged that the government may be bartering natural resources such as gold for Russian private military services.

Allegations have ranged from proposed mining exploitation rights on the one hand, to smuggling of artisanal-mined gold to pay for military goods and services off budget. Following the international [reporting](#) of the killing of 500 people by security services and private military contractors in March 2022, French media Radio France International and France24 were [banned](#) from both operating and broadcasting in the country the same month. In May 2022, the government [reported](#) having foiled another coup attempt, which some leading Malian politicians used to justify the contracting of the President of the Republic's security to the Wagner Group.