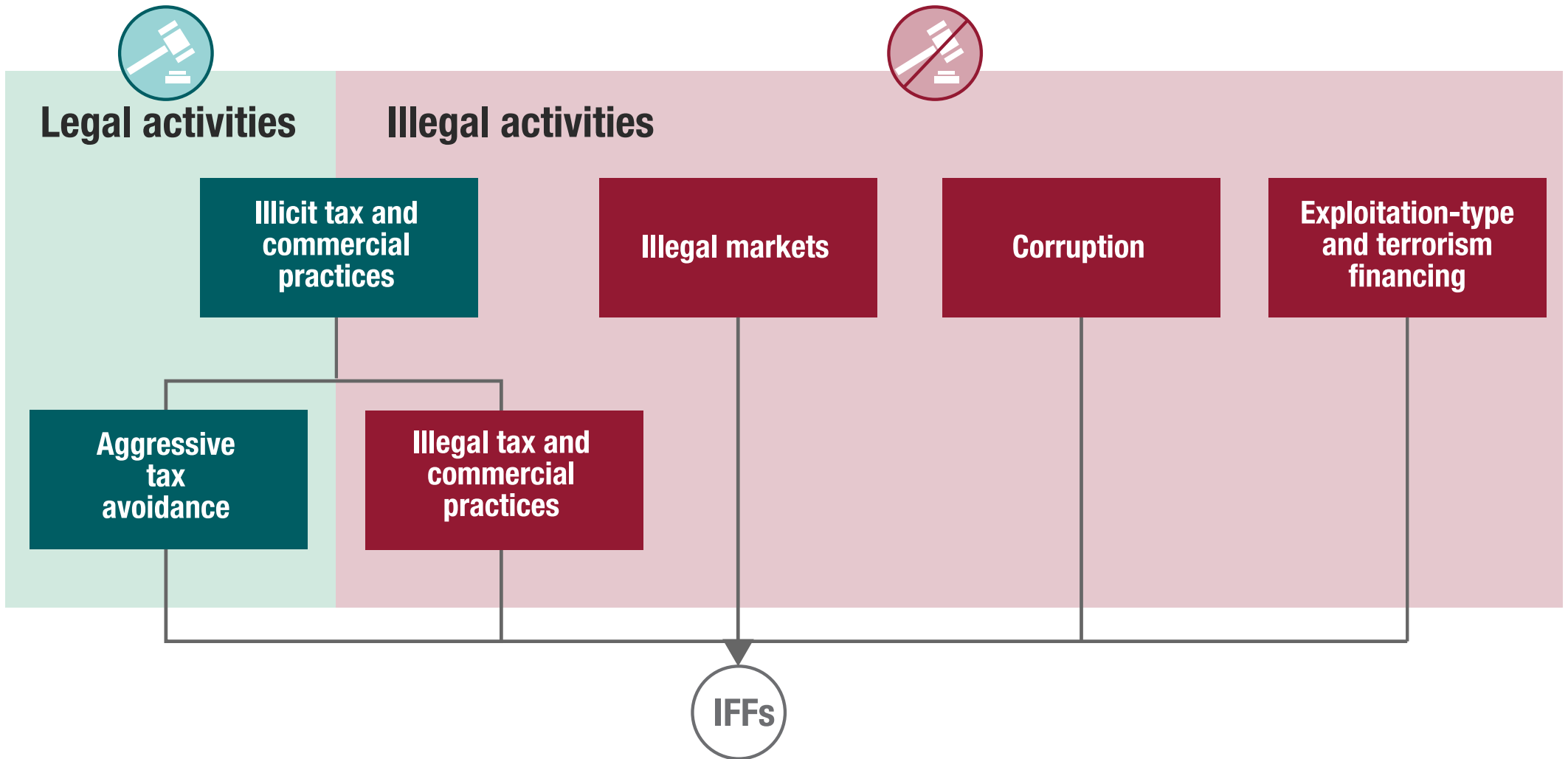


# Deep dive: Production and export data

Anti-corruption training, 12 October 2022

**eiti**





# Why production & export data disclosures matter

- How much is produced and exported directly impacts how much companies pay to the government

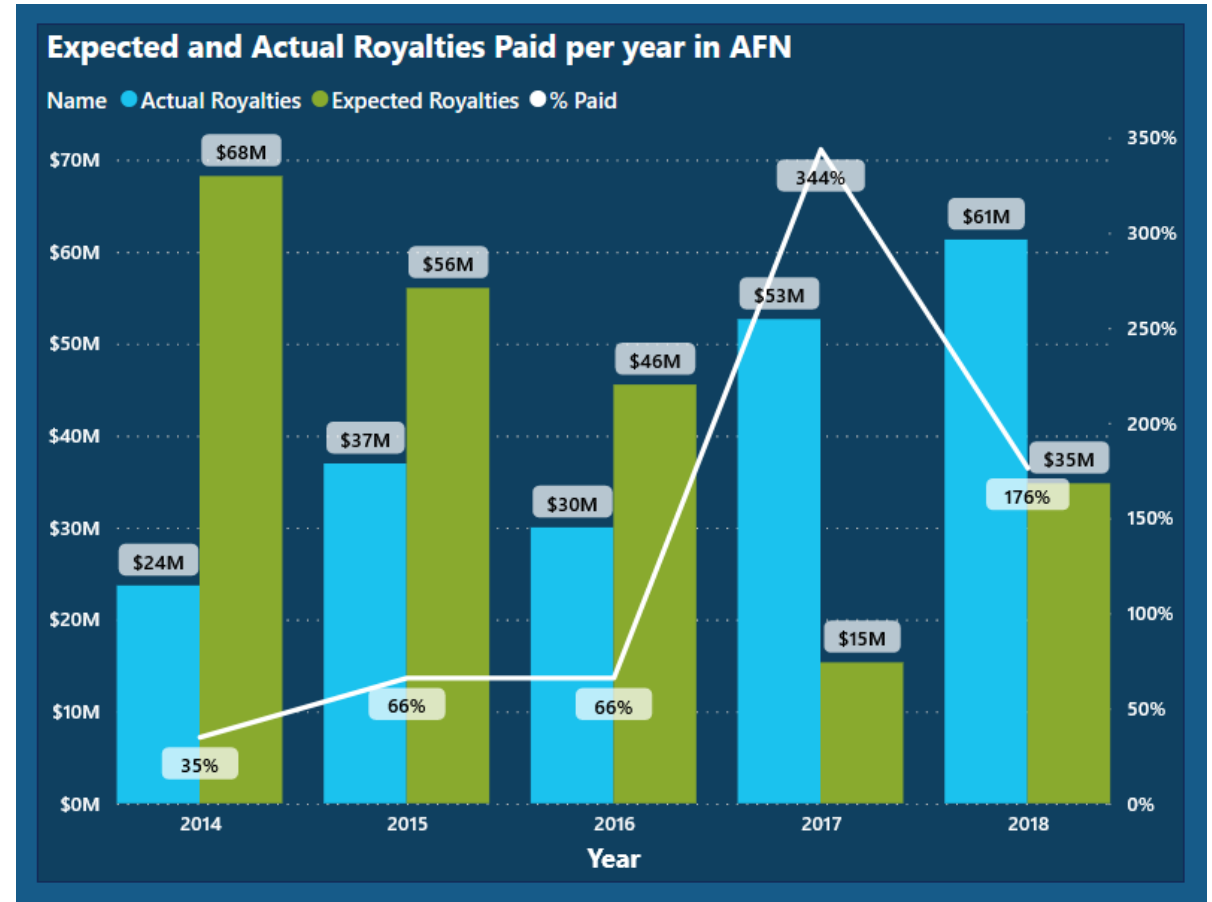


# Production and export data disclosures can help to identify

- Illicit trade
  - *Discrepancies between production and exports*
- Tax evasion
  - *Underreporting or undervaluation of production and/or exports*
- Weaknesses in data verification and management
  - *Discrepancies in data sets*
  - *Overreliance on company self-reporting*
  - *Challenges in valuation*

# Afghanistan

## Analysis of production and royalty data by license disclosed in the EITI Report



# Best practices for disclosures

- Timely, open, systematic
- Standardised commodity names
- Disaggregation – by project, transaction
- Estimates of artisanal and small-scale mining
- Information about methodology and underlying systems for monitoring & verification
- Review of comprehensiveness and analysis of the reliability of data
- Recommendations for improving disclosures, strengthening reliability and addressing revenue loss risks

# Requirement 3.2 Production – proposed refinements

*The objective of this requirement is to ensure public understanding of extractive commodity(ies) production levels and the valuation of extractive commodity output, as a basis for **analysing revenue flows and addressing revenue loss risks**. ~~addressing production-related issues in the extractive industries.~~*

Implementing countries must disclose timely production data, including production volumes and values by commodity. **Data should be disaggregated by project, when available.** The source(s) of data **should** be disclosed and the method for calculating production values described. **Implementing countries and companies are encouraged to disclose both realised sales prices and fiscal prices.**

**Implementing countries are expected to present production data using international data standards, such as Harmonised System (HS) Codes. The multi-stakeholder group should review existing mechanisms to monitor and verify the accuracy of production data and document findings, including any weaknesses related to the comprehensiveness and reliability of publicly available production data.**

# Requirement 3.3 Exports – proposed refinements

*The objective of this requirement is to ensure public understanding of extractive commodity(ies) export levels and the valuation of extractive commodity exports, as a basis for **analysing revenue flows and addressing revenue loss risks** ~~addressing export-related issues in the extractive industries.~~*

Implementing countries must disclose timely export data, including export volumes and the value by commodity. **Data should be disaggregated by project and exporting company, when available.**

This data could be further disaggregated by region, **destination, buyer, and/or cargo, and identify whether the buyer is a related party.** The source(s) of data **should** be disclosed and the method for calculating export values should be described. **Implementing countries are expected to present export data using international data standards, such as Harmonised System (HS) Codes. The multi-stakeholder group should review existing mechanisms to monitor and verify the accuracy of export data and document findings, including any weaknesses related to the comprehensiveness and reliability of publicly available export data. This could involve analysing possible deviations between export values and market prices and/or import values reported by the destination country.**