



Validation of Côte d'Ivoire

Final assessment of progress in implementing the EITI Standard

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Acronyms

AfDB	African Development Bank
BCEAO	Banque Centrale des Etats de l'Afrique de l'Ouest
BO	Beneficial Ownership
CIE	Compagnie Ivoirienne d'Electricité
CDLM	Local mining development funds
CN-ITIE	Conseil National ITIE (Multi-stakeholder Group)
CSO	Civil Society Organisation
DGD	Direction Générale des Douanes
DGI	Direction Générale des Impôts
DGH	Direction Générale des Hydrocarbures
EITI	Extractive Industries Transparency Initiative
GDP	Gross Domestic Product
GIZ	German International cooperation (Deutsche Gesellschaft für Internationale Zusammenarbeit)
GPMCI	Groupement Professionnel des Miniers Côte d'Ivoire - Mining Chamber
GRSE	Regional Governance of the Extractive Sector in West Africa Project
West Africa	
HAGG	High Authority for Good Governance
IA	Independent Administrator
IGE	General Inspectorate
IMF	International Monetary Fund
MSG	Multi-stakeholder Steering Group
NA	Not Applicable
NGO	Non-Governmental Organization
OHADA	Organisation pour l'Harmonisation en Afrique du Droit des Affaires
PEP	Politically Exposed Person
PETROCI	National Oil Company of Côte d'Ivoire
PSC	Production Sharing Contract
PWYP	Publish what you pay
SODEMI	Société pour le Développement Minier de la Côte d'Ivoire
SOE	State-Owned Enterprise
TOFE	Tableau des Operations Financières de l'Etat
ToR	Terms of Reference
VAT	Value Added Tax
USD	United States Dollars

Executive summary

This draft Validation report presents the findings of the International Secretariat's Validation of Côte d'Ivoire which commenced on 1 October 2022. The draft report was finalised for review by the multi-stakeholder group (MSG) on 10 February 2023. Following comments from the MSG received on 10 March 2023, the Validation report was finalised for consideration by the EITI Board.

The year under review for transparency requirements is 2019, covered by the last EITI Report published at the start of the Validation. Additional thematic reports were published later 2022 and these are considered in this Validation. For stakeholder engagement and impact, activities in the period November 2019 to September 2022 are reviewed. For stakeholder engagement and impact, activities in the period November 2019 to September 2022 are reviewed.

Key achievements

- The pace of implementation was maintained since the previous Validation in 2019 under steady government leadership, notably through the continuity of funding. A partial refresh of MSG membership in September 2019 has led to slightly more inclusive representation, particularly in terms of gender diversity from the civil society constituency. Coordination of industry representation has improved, especially within the mining sub-group, although rules related to the renewal of the constituency are yet to be finalised. In a context with both active oil and gas and mining sectors, stakeholder engagement is informing the reforms of the sector, with thematic studies on state-owned enterprises (SOEs), local content and license awards. Stakeholders have made efforts to address gaps in disclosures and to tackle relevant national topics through reporting, guided by a well-designed EITI work plan. The MSG is supported by an effective national secretariat.
- The EITI process, in particular the website of the CN-ITIE, serves as a central repository of information on the extractive sector and documents reforms in the sector. The comprehensiveness of the oil and gas and mining license registers has also greatly improved in the period under review, which strengthens citizens' ability to monitor extractive activities. In November 2022, the country published every oil and gas contract signed since January 2021 and plans to link these to the petroleum cadastre hosted by the EITI national website.
- EITI has contributed to a broader public debate on the benefits of the extractive sector at the subnational level, and the distribution of mining as well as oil and gas revenues. The EITI's focus on the local impact of mining activities, as well as recent efforts to disclose additional data on the artisanal mining sector, respond to demands from stakeholders. The process to operationalise the local development mining funds (CDLM) reflects commitment to extractive revenue transparency, multistakeholder governance and using the EITI Standard as a tool for increased access to information by local communities.

Areas for development

- While Côte d'Ivoire's EITI MSG has seen a limited refresh of its membership, the oversight role of the MSG of monitoring transparency and ensuring accountability of the extractives sector in the period under review have shown some weaknesses. The issue of untypically high rates of per diem have not yet been addressed. The MSG must ensure that allegations and proven cases of corruption in the sector are discussed and investigated. Finally, while the MSG has provided a

space for debate with civil society, the efforts to inform a broader public debate have been very limited. There is scope for the MSG to explore ways of strengthening citizen participation in extractive industry governance through other mechanisms, such as routine public hearings to seek dialogue in key stages of the EITI implementation.

- There are ample opportunities for strengthening systematic disclosures, many of which are identified by stakeholders and in this Validation report but limited take-up in practice. For example, data collected through EITI Reporting cycles from extractive companies could be better leveraged by reporting entities to ensure disclosure of timely and relevant data on the extractive sector at the source.
- While Côte d'Ivoire has used the EITI to begin work on the collection of beneficial ownership information from companies, with the creation of its own portal online, a key priority will be to establish a legal and regulatory framework to ensure the public disclosure of this information. Such disclosures are expected to be particularly impactful given the public interest in company ownership in Côte d'Ivoire. There is also room to build on the recent disclosures on SOE governance and barter agreements to further improve the transparency in these areas.

Progress in implementation

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

Stakeholder engagement

The individual constituencies remain engaged in EITI implementation and both government and civil society constituencies have made some efforts to codify their engagement. A decree clarifying membership renewals, observer policy and MSG leadership has been in draft since 2018 and yet to be adopted. Government engagement remains stable as it continues to fund EITI implementation and the secretariat's operation. Throughout the pandemic the MSG and EITI Secretariat did not face any particular limitations to meet and communicate with their constituencies. While there is broad-based demand and interest for information on the extractive sector, and stakeholders engaged in the EITI are considered authoritative sources of information and reliable technical partners for stakeholders, the lack of discussion of the Glencore corruption offences in Côte d'Ivoire puts into question the oversight role of the MSG. This Validation has identified backsliding in the MSG's oversight of the EITI process since the previous Validation due to two main factors. Firstly, there is no evidence that the MSG has discussed Glencore's admission of guilt in May 2022 involving corruption of government officials in its purchases of petroleum cargos in the period 2007 to 2010¹. It is of concern that this corruption case has not been raised and no lessons drawn, despite the EITI's insistence to examine the case and to review if the necessary mechanisms are in place to prevent such corruption offences in the future. Secondly, despite repeated recommendations from previous Validations, the MSG has not moved to adjust the untypically high rates of per diems for its members, which constitutes a potential breach of the Civil society code of conduct.

Transparency

Public disclosures on the extractive sector in Côte d'Ivoire have improved and reveal a clear distinction between two methods of publishing extractives data, through systematic disclosures

¹ See international coverage: <https://www.rfi.fr/fr/afrique/20220602-le-scandale-glencore-fait-peu-de-bruit-en-c%C3%B4te-d-ivoire>

and EITI Reporting. On the one hand, government portals provide systematic disclosures of core information on the sector, like the [online mining cadastre](#). The quality of these disclosures has improved since 2019 and appear broadly acknowledged by stakeholders as a major step towards more timely and accessible extractives data. On the other hand, EITI Reporting remains a reference for any information related to the extractive sector, [through the multiple sections on the national EITI website](#) and the EITI Reports. Oil and gas licenses and contracts are now publicly available through a [dedicated section](#) on the EITI website. In general, EITI Reporting offers a centralised source of information on the extractives sector, bringing together systematically disclosed information in one place. In addition of traditional EITI Reporting, several thematic reports have been produced to shed light on SOE governance in the oil and gas sector, license awards and local mining funds. There is strong public demand for EITI data on the mining sector, which creates opportunities for the EITI in Côte d'Ivoire to expand its coverage of areas of increasing public interest such as on the environmental impact and local content contribution to the extractive industries. Important work has been accomplished on disclosures related to new required aspects of the 2019 EITI Standard, such as project-level reporting, but further work remains to be done in the establishment of a beneficial ownership register.

Outcomes and impact

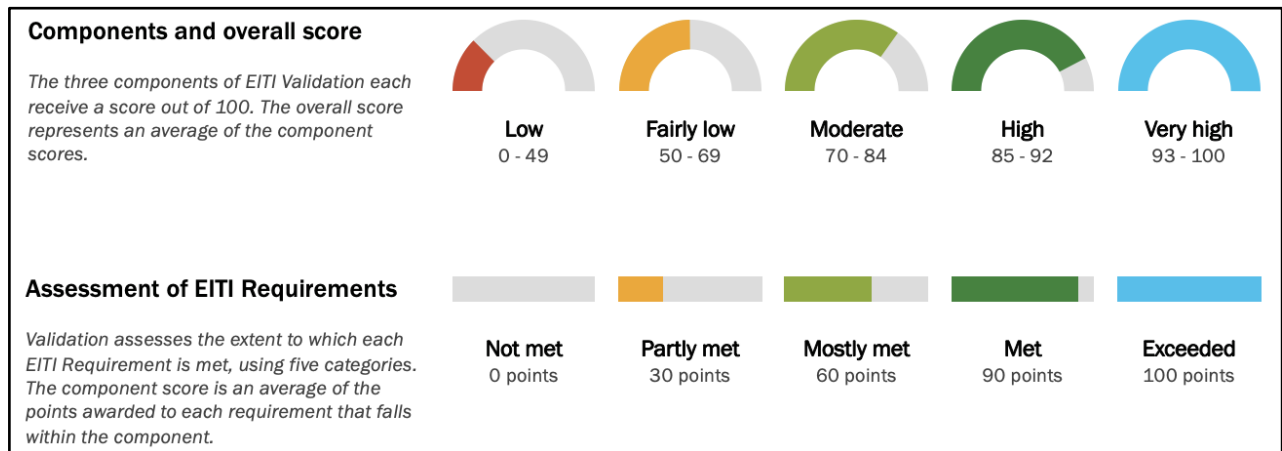
While the COVID-19 pandemic slowed the pace of the MSG's dissemination of EITI findings, Côte d'Ivoire EITI stakeholders have contributed to policy dialogue and reform on issues relevant to the extractive industries. With the support of the GIZ², Côte d'Ivoire EITI has provided input to the development of government decrees operationalising local development funds (CDLM) and strengthening the monitoring of the mining companies' contribution to these funds. There is evidence of use of EITI data by researchers, and strong cooperation between government institutions such as the Directorate of Hydrocarbons (DGH) and the MSG. By sustaining its transition towards open-format disclosures of EITI data, Côte d'Ivoire EITI has the potential to deliver greater impact by cross-referencing or linking the already existing publications to other government data disclosures. The work plan formulates clearly how the objectives of the EITI align with national priorities. The MSG's annual review of implementation outcomes seems closely linked to the EITI work plan, integrating corrective actions in the thematic areas targeted by thematic reports published the past years.

² http://www.cn-itie.ci/wp-content/uploads/2022/08/Diagnostic-du-contenu-local-dans-le-secteur-minier-ivoirien_GIZ_rapport-final_avril-2022-1.pdf

Validation scorecard

Component & module	EITI Requirement	Progress	Score	
Outcomes and impact		High	86/100	
Extra points	Effectiveness and sustainability indicators		2	
Outcomes and impact	Work plan (#1.5)	Fully met	90	↑
	Public debate (#7.1)	Mostly met	60	↓
	Data accessibility and open data (#7.2)	Fully met	90	↑
	Recommendations from EITI (#7.3)	Fully met	90	=
	Outcomes & impact (#7.4)	Fully met	90	=
Stakeholder engagement		Moderate	75/100	
Multi-stakeholder oversight	Government engagement (#1.1)	Fully met	90	=
	Industry engagement (#1.2)	Fully met	90	=
	Civil society engagement (#1.3)	Fully met	90	=
	MSG governance (#1.4)	Partly met	30	↓
Transparency		Moderate	81/100	
Overview of the extractive industries	Exploration data (#3.1)	Fully met	90	=
	Economic contribution (#6.3)	Fully met	90	=
Legal and fiscal framework	Legal framework (#2.1)	Fully met	90	=
	Contracts (#2.4)	Mostly met	60	-
	Environmental impact (#6.4)	Not assessed	-	-
Licenses	Contract and license allocations (#2.2)	Fully met	90	↑
	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)	Fully met	90	=
	SOE transactions (#4.5)	Fully met	90	=
	SOE quasi-fiscal expenditures (#6.2)	Mostly met	75	↑
Production and exports	Production data (#3.2)	Fully met	90	=
	Export data (#3.3)	Fully met	90	=
Revenue collection	Comprehensiveness (#4.1)	Fully met	90	=
	Barter agreements (#4.3)	Mostly met	75	↑
	Transportation revenues (#4.4)	Not applicable	-	=
	Disaggregation (#4.7)	Mostly met	60	=
	Data timeliness (#4.8)	Fully met	90	=
	Data quality (#4.9)	Fully met	90	=
Revenue management	Distribution of revenues (#5.1)	Mostly met	60	=
	Revenue management & expenditures (#5.3)	Not assessed	-	=
Subnational contributions	Direct subnational payments (#4.6)	Not applicable	-	=
	Subnational transfers (#5.2)	Not applicable	-	=
	Social and environmental expenditures (#6.1)	Fully met	90	↑
Overall score		Moderate	80.5/100	

How EITI Validation scores work



The overall score (out of 100) represents an average of the scores of each component.

Each requirement will be assessed following the scale below and assigned corresponding points:

- **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.

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

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 the Cote d'Ivoire addresses nationally relevant extractive sector challenges and risks.

The objectives of Cote d'Ivoire EITI work plan broadly align with national priorities articulated in the government's 2021-2025 National Development Plan. The work plan includes activities related to governance of state-owned enterprises and public finance through the preparation of a study on SOEs and shedding light on the issues related to the exchange of oil for gas and subsidy operations in the electricity sector, as well as their impact on budgetary revenues from the oil sector. The work plan also covers the anti-corruption agenda through the ongoing study on the license's allocation. The work plan aligned with the national priority on strengthening of gender equity and promoting regional development through the work performed, with GIZ support on CDLM governance and local content. Nevertheless, no activities were planned to align with the national priorities related to the energy transition and climate change explicitly considered by the PND as one of the national priorities for 2021-2025 period.

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

1.2 Systematic disclosures of extractive industry data

Cote d'Ivoire systematically discloses the required information on the legal framework and oil and gas production. The mining cadastre is [publicly available](#), with the last update on 17 December 2022. PETROCI production data are now [regularly published](#) through [its website](#). Data on [SOE governance](#), [debt](#) and financial statements are [publicly available](#).

Cote d'Ivoire, with the support of the GIZ has recently launched a [publicly available platform](#) for beneficial ownership data. Pending the finalisation of the legal framework requesting the extractive companies to publish their beneficial owners, some companies have already started to submit their data on beneficial owners to this platform, despite the lack of a formal legal framework. Oil and gas contracts signed between 2019 to date have been published in October 2022 [in a special edition of the official Gazette](#), yet additional efforts are needed by the MSG to discuss the comprehensiveness of this disclosures and to publish the mining contracts.

Disclosure of the information required by the EITI Standard on the websites of SOEs and private companies generally remains limited to some information regarding oil and gas production and the legal framework. A study on the systematic disclosure was identified as one of the activities of the 2022 work plan but this study has not yet been launched and may be postponed to 2023.

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.

The regulatory environment provides some support for the participation of civil society in decision-making on the governance of the extractive industries at a political and policy level, albeit not yet significantly for citizen participation in the operations of the extractive industries. Indeed, there are few opportunities for public consultations in the process of awarding extractive rights in the petroleum and mining sectors.

EITI Cote d'Ivoire has performed outreach efforts to civil society and other stakeholders in regions and local communities affected by extractive industries. During awareness-raising activities in localities, information is translated into the local language. This was the case for the presentation of the 2018 and 2019 EITI Reports in Zouan Hounien, Hiré-Divo, Lauzoua and Bondoukou, as well as for [CDLM reporting](#) in the 2017, 2018 and 2019 EITI. Minutes of MSG meetings do not reflect any discussion of the policies and practices related to citizen participation in extractive industry governance beyond the EITI. There has been no documented impact of EITI implementation on civic space related to extractive industries governance, including on communities in resource-rich regions. However, in its submission for this Validation, the MSG argues that the environment for citizen participation in extractives governance has improved considerably in recent years, which the MSG appears to attribute to EITI. According to the MSG, EITI outreach and dissemination focused on citizen engagement and town hall meetings aimed at disseminating EITI Reports and improving the local mining funds transparency and governance have enabled citizen participation. The effects on changes to civic space have still to bear fruit and the MSG could do more to broaden its engagement with civil society.

The Secretariat proposes that 0 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.

Much of Cote d'Ivoire's data on the extractive sector is publicly disclosed in various open formats on the website of [Cote d'Ivoire EITI](#), as well as systematically disclosed through the [PETROCI website](#), including production data. Mining exports are available in open format through an exemplary annex (see transparency template, annex 26) attached to the 2019 EITI Report, disaggregated by project, date, country and buyer. Oil and gas contracts signed from the 1 January 2019 have recently been made available through a public [special edition of the official gazette](#). Publicly available extractive sector data is used for analysis by some actors including civil society as well as academics and other oversight actors. EITI employment data were instrumental for the [GRSE project](#) funded by GIZ to diagnose local content in the Ivorian mining sector. CDLM reported data helped to improve the management of local mining development committees through the implementation of the manual of administrative, accounting and financial management procedures in September 2021.

The secretariat considers that Cote d'Ivoire should work more on the systematic disclosure at the SOE and government agencies level to improve the use of extractive industry data. Stakeholders, including journalists and CSOs, can use the data already available in the EITI Cote d'Ivoire website to stimulate the public debate.

The Secretariat proposes that 0.5 additional point 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.

The MSG's 'Outcome and impact' template for this Validation highlighted two reform processes to which the EITI has contributed. The first one is related to the publication of oil and gas contracts. Since 2012, the CN-ITIE has had several meetings with the Oil Administration and oil companies with a view to harmonising understandings and points of view on the strategy for the publication of oil contracts. The Director of Cabinet of the Minister in charge of Petroleum sent a letter to the Official Journal (JO) of the Republic of Côte d'Ivoire asking for the publication of the petroleum contracts signed since January 1, 2021, which led to publication of the oil and gas agreements concluded between 2019 and 2022 (see Requirement 2.4). Also, a public register for oil and gas contracts was jointly made available by the CN-ITIE and the DGH (see Requirement 2.3).

The MSG has organised several awareness workshops with a view to setting up a public register for extractive sector beneficial owners. With the support of the Good Governance/GIZ project, the MSG has drafted a legal text on the disclosure of beneficial owners. This bill has been widely shared with stakeholders and addresses the issue of politically exposed persons for the first time. Pending the adoption of this law by the parliament, [an online platform](#) has been developed with the support of the GRSE/GIZ project. This platform was officially launched on September 22, 2022 in the presence of several actors from the oil sector, mining, civil society, journalists and public administration. This platform also allows systematic disclosure of beneficial owners.

In addition to those reforms, the Independent Administrator and stakeholders consulted pointed the role of the SOE study in shedding light on several areas for improvement in SOE governance and transparency, especially on the gas- to-electricity swap, which led several changes in their practices and financial statements adjustments to correctly reflect the provisions of this agreement. This study has been instrumental in identifying and clarifying misunderstandings of the swap agreement leading to differences in its impact on the financial statements of the different parties to this agreement and led to harmonization efforts to correctly align its impact throughout the national budget and SOE financial statements.

The International Secretariat recognises the impact of the EITI on the policies and practises in the extractive industry in Cote d'Ivoire. This impact can be enhanced by the effective adoption of beneficial ownership legislation, the analysis of the just published oil contracts and a more comprehensive implementation of the recommendations raised in the previous EITI Reports, as well as the SOE study.

Nevertheless, the impact of the EITI in Cote d'Ivoire is still unclear with regards to the Glencore scandal. Indeed, since the outbreak of this case [late May 2022](#) and the pronouncement of judgments after the company's admission of having paid bribes to officials within PETROCI Holding [in November 2022](#) (among other countries), the EITI Cote d'Ivoire has not has not been a key player in launching public debate to clarify the case at the national level, nor sending a clear message to the authorities to launch investigations to establish responsibilities in this case. The observation is clear at the national level that little debate covers this affair and yet no official reaction has been released to clarify the government position.

The Secretariat proposes that 0.5 additional point 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>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 1.5 is fully met, which is an improvement since the last Validation. The country addressed several weaknesses raised in the previous Validation in terms of linking the EITI implementation to EITI principles and reflects national priorities. The work plan appears to be an important document to address legal and regulatory constraints toward EITI implementation covering for example beneficial ownership and contract transparency.</p> <p>Cote d'Ivoire has prepared and made publicly accessible its EITI work plan that appears to have been updated regularly during the period under review. Cote d'Ivoire EITI work plans covering 2019, 2020, 2021 and 2022 are accessible on the Cote d'Ivoire EITI website, with a detailed matrix of 2022 work plan activities published as a standalone supporting document.</p> <p>The Cote d'Ivoire EITI work plan for 2022 was approved and published during the multi-stakeholder group meeting of 29 December 2021. According to MSG submission for this Validation, the preparation process for the 2021-2023 work plan started since March 2021 during a workshop including stakeholders inside and outside the MSG. An ad-hoc committee was appointed to take the responsibility to collect relevant documents and prepare the draft work plan. During this workshop, Ministry of Budget and Planning representatives presented the national priorities for the current year and the upcoming 5 years as part of the National Development Plan (PND). General Directorate of Hydrocarbons (DGH) and General Directorate of Mines and Geology (DGMG) presented during this workshop their strategic priorities. The national secretariat</p>

	<p>used the recommendation of this workshop, as well as previous EITI Validation reports and previous year's work plan and EITI Reports recommendation to draft the 2021-2023 work plan. The final version of the triennial work plan was adopted during MSG session of 28 July 2021. The 2022 work plan was extracted from the activities planned in 2021-2023 work plan. It was adopted during MSG session of 29th of December 2021. Some CSOs outside of the MSG considered that they were not consulted during the process of the preparation of the work plan. Nonetheless, a review of minutes of meetings of the MSG indicates that there is a regular review of progress in work plan implementation, which appears to have informed work plan updates.</p> <p>The objectives of Cote d'Ivoire's successive EITI work plans appear to have been aligned with national priorities for the extractive industries, particularly the National Development Plan. Nevertheless, the work plan didn't include any activity related to climate change and energy transition despite the fact that it was considered as a national priority in the PND. The 2022 work plan is structured in 3 categories including stakeholders' engagement, transparency and results and impact. It includes activities related to strengthening systematic disclosures of EITI data. The 2022 work plan matrix sets out activities that are time-bound, measurable and costed, with sources of funding identified. Several activities do not have clear costings, however, nor source of financing.</p> <p>The 2022 work plan aims to address capacity constraints through the organisation of several workshops and training covering for example the training stakeholders on the utilisation of EITI data. It also covers activities related to the systematic disclosure of EITI data through a feasibility study on the implementation of routine disclosures, although this activity has not taken place in 2022. The work plan covered activities aiming to address legal constraints related to the contract transparency and beneficial ownership, including a study and the preparation of a legal basis for BO disclosure and the publication of extractive contracts. The work plan covered several activities related to the EITI Reports and Validation recommendations including among others a study on licenses allocation process, one of the recommendations raised in previous Validation and EITI Reports.</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 from the previous Validation. Although EITI and systematic disclosures are often supporting communication and activities aligned with stakeholders need, stakeholder views were split whether the overall objective of enabling public debate on extractive industry governance, given the lack of attention and activities tied to the recent admitted fraud practices by Glencore in the country.</p> <p>The MSG provided some discussion and input on the public debate on the Glencore scandal, which represents an issue with tremendous public interest in the country and wider region and is based on the court testimonies by the Swiss commodity trading to the American and British judges that, Glencore officials paid bribes totalling USD4 million to PETROCI Holding officials in the period of 2007-2010. However, public debate did little to enlighten public opinion on the implications of this and government responsibilities toward shedding light on this affair. Although the final judgment was pronounced in the United States and the UK and the Swiss trader pleaded guilty and agreed to pay fines, the public debate fell short of expectations and was not helpful in enabling adequate</p>

	<p>debate at the national level. In its response to the draft Validation Report, the MSG highlighted its discussion on the case during its July session, and letters³ being sent to several anti-corruption bodies. Following these letters, the MSG also organized several discussion sessions with relevant stakeholders between August 2022 and October 2022 and follow-up exchanges. The General State Inspectorate, IGE, has been solicited to carry out the necessary investigations for the implementation of corrective actions and the prevention of new corruption cases, but investigations are yet to start. With regard to PETROCI Holding, PETROCI has sent a letter to Côte d'Ivoire EITI to indicate that an analysis of the situation is underway. At its level, the MSG has planned actions in the framework of future EITI reports in terms of evaluation of transparency in awarding oil marketing contracts and has signalled its intention to launch an assessment of the anti-corruption management system (ACMS) of the procurement process according to the guidelines of the ISO 37001 standard. At the level of civil society, PWYP Côte d'Ivoire made a declaration to draw the attention of the competent authorities and to make recommendations related to the Glencore case. EITI in Cote d'Ivoire has also undertaken active communication, outreach and dissemination efforts that enable evidence-based public debate on extractive industry governance, in line with the objective of the requirement. The language of activities is adapted to regional needs, and Cote d'Ivoire EITI has developed different types of communication products to ensure that data is accessible to different groups. This was the case for the presentation of the 2018 and 2019 EITI Reports in Zouan Hounien, Hiré-Divo, Lauzoua and Bondoukou during which information were translated to local languages and the CDLM reported information simplified in a more reader friendly format.</p> <p>The EITI Reports are comprehensible and accessible on Cote d'Ivoire EITI's website. The multiple sources of data – the 2018-2020 EITI Report and the study on the SOE – may confuse some readers who may need to be explained where to find updated information especially on SOE, but the reports are subject to simplification (summary, infographics, etc.) to allow people to better understand the data.</p> <p>The EITI process in Côte d'Ivoire facilitates capacity building activities for investigative journalists as well as government agencies on the analysis and use of EITI data. Training sessions are regularly held each year with the DGI for instance.</p> <p>EITI data is used by a wide range of actors including academics, civil society and parliamentarians leading to the fulfilment of the EITI Principles by contributing to wider public debate. EITI employment data was instrumental for the GRSE project funded by GIZ to diagnose local content in the Ivorian mining sector. CDLM reported data helped to improve the management of Local Mining Development Committees through the implementation of the Manual of administrative, accounting and financial management procedures in September 2021.</p>
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³ <http://www.cn-itie.ci/wp-content/uploads/2022/09/Courrier-R%C3%A9ponse-Inspection-G%C3%A9n%C3%A9rale-d'Etat-Cas-GLENCORE.pdf>

<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. Stakeholders consulted did not express particular views on progress towards the objective of publication of extractive information in open data and interoperable formats. The Secretariat's view is that the objective has been fulfilled given the existence of a clear Cote d'Ivoire EITI policy on publication of data in open format and the practice of disclosure of EITI data in such formats, even if most other extractive data systematically disclosed on government portals has yet to be published in open format.</p> <p>Côte d'Ivoire joined the "Open Government Partnership (OGP)" in July 2015 and has developed a third action plan that takes into account the fight against corruption and aims to further reforms in civic participation and transparency in national and local budget processes, although without actual data publications related to the extractive sector.</p> <p>EITI data are available in electronic format in the EITI website. The information is communicated to the general public during awareness and sensitization campaigns and dissemination of the EITI Reports. The government of Cote d'Ivoire features an open data platform covering a wide range of information available for the public. However, little information is covering the extractive sector and is focused mainly on the downstream sector expect for Oil and gas exports. The data seems outdated and has not been revised since 2021.</p> <p>Cote d'Ivoire EITI has made efforts to improve the accessibility of data on the extractive industries, for instance launching a mini-cadastre portal with license and contract information, although the data does not appear to be available for bulk download in open format. However, the cadastral portal links a map front-end user interface to specific contracts that have been disclosed. The Ministry of Finance and Budget's Observatory on Public Finances website was established to provide oil and gas production and export data, available for download in open (.csv) format. The 2019 Summary data file has also been submitted alongside the EITI Report.</p>
<p>Recommendations from EITI implementation (Requirement #7.3)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 7.3 is fully met, as in the previous Validation. Several stakeholders consulted consider that the objective of ensuring that EITI implementation is a continuous learning process that contributes to policymaking through the MSG's follow-up on recommendations from the EITI process had been fulfilled in the period under review although the MSG document related to the results and impact did not describe a specific mechanism for following up on recommendations from EITI Reports.</p> <p>The MSG document outlines the progress achieved during the period under review to tackle the recommendations raised in the EITI Reports including among others the preparation of the SOE study which responded to several deficiencies identified in the EITI Reports, including among others details on the swap agreement and governance of SOEs, as well as the publication of the financial statements of the SOEs.</p> <p>In the preparation of the 2020 EITI Report, the MSG has also undertaken a study to audit the procedure for licence awards particularly in the oil and gas sector.</p>

<p>Review the outcomes and impact of EITI implementation (Requirement #7.4)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 7.4 is fully met as in the previous Validation, given that the objective is fulfilled, and all aspects of the requirement have been addressed.</p> <p>In March 2021, EITI Cote d'Ivoire and PWYP Cote d'Ivoire produced a triennial progress report combining reflections on years 2018, 2019 and 2020 impact on the EITI. The objective of this study was to identify, document and analyse the impact and concrete reforms generated by the implementation of the EITI Standard in the governance of the mining, oil and gas sector in the country over the period 2018 to 2020. The document includes a consistent documentation of lessons learned, good practices resulting from the implementation of the EITI Standard and recommendations. The study was prepared based on a quantitative and a qualitative survey. The fields visited included the localities of Abidjan, Divo, Hiré and Bondoukou. For the localities of M'Bengué, Tortiya, Zouan-Hounien, Séguéla, Bouaflé and Jacquerville, the surveys took place remotely or through telephone calls for other localities. The study focused on several groups including among others public administration, local elected officials, SOEs, extractive companies, civil society organizations (CSOs), parliament, journalists, universities and others.</p> <p>Despite the fact that Cote d'Ivoire has clearly identified the impact of their work in the country, there is not a clear documentation on the link between recommendations of the impact study and activities set out in the workplan. A review of the recommendation raised in the impact study shows that few recommendations have been included in subsequent work plans such as translation and synthesis of EITI Reports in order to disclose them to the general public, several other recommendations have not been implemented, including improving systematic disclosure of EITI data in government websites as well as improving EITI Cote d'Ivoire visibility in national and social media.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • To strengthen implementation of Requirement 1.5, Cote d'Ivoire is encouraged to explore innovative approaches to extending EITI implementation to inform public debate about natural resource governance and encourage high standards of transparency and accountability in public life, government operations and in business. • In accordance with Requirement 7.1, Cote d'Ivoire should provide broader evidence of public debate related to EITI or use of EITI information by all stakeholders including the legislature, subnational governments and other policy areas, while taking into account the local context. • To strengthen implementation of Requirement 7.2, Côte d'Ivoire is encouraged to make systematically disclosed data machine readable and inter-operable, and to code or tag EITI disclosures and other data files so that the information can be compared with other publicly available data. • To strengthen implementation of Requirement 7.3, Côte d'Ivoire is encouraged to strengthen the public documentation of EITI follow-up on recommendations from reporting and Validation, with a view to further strengthening the public accountability of its efforts and to ensure that the EITI supports broader reforms in the governance of the extractive industries. 	

- To strengthen implementation of Requirement 7.4, Cote d'Ivoire could consider more clearly linking EITI work plan activities with the reforms in the extractive sector and linking the impact assessment recommendation to the subsequent work plan.

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	Summary of progress in addressing the EITI Requirement
<p>Government engagement (Requirement #1.1)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 1.1 remains fully met. Most stakeholders consulted from all constituencies considered that the objective of full, active and effective government leadership of the EITI process had been achieved in the period 2020-2022. MSG meetings have been regularly held and government attendance, including high-level participation, is well documented.</p> <p>The Secretariat's view is that the high-level leadership of EITI implementation in the 2020-22 period has been matched by its operational engagement in the provision of required data, steady flow in funding for EITI implementation and actions to overcome barriers to implementation. Timely MSG decisions have been taken on multiple EITI topics, including but not limited to corrective actions, such as the developments in systematic disclosures on licenses and contracts for the oil and gas sector, or the operationalisation of the extractive local funds recently created CDLM.</p> <p>The 'Stakeholder engagement' template highlights that government MSG members have consistently attended at EITI activities and MSG meetings. However, implementation of new provisions of the MSG's internal rules have been delayed (see <i>Requirement 1.4</i>).</p> <p>In practice, the 'Stakeholder engagement' template describes the role of the EITI Côte d'Ivoire Secretariat as the coordinator of the government constituency, which has involved regular communications with the broader government constituency. Although there is little evidence of the broader constituency's input to the development of the 2021 and 2022 EITI work plans, a critical workshop⁴ was held in June 2022 including relevant government agencies and senior officials. Corrective actions and governance reforms were discussed, as well as the future thematic reports on SOEs and licensing from the consultant EnerTEAM.</p> <p>All material government entities have generally provided the required information and quality assurances in the last (2019) EITI Report published in the period under review, with the exception of the mining directorate, DGMG. Quality assurances included for</p>

⁴ http://www.cn-itie.ci/wp-content/uploads/2022/08/RAPPORT-Atelier-dAuto_Evaluation-et-de-Preparation-de-la-Validation.pdf, accessed in November 2022

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	<p>the first-time certification by the General Inspection, IGE (Inspection Générale de l'Etat). Minutes of MSG meetings and of EITI capacity building events indicate that the government has taken steps to overcome barriers to EITI implementation. This has included encouraging all material extractive companies to report on beneficial ownership, publication of oil and gas contracts and establishment of a physical register of licenses by the DGH. The review of follow-up on past EITI recommendations in the MSG's 'Outcomes and impact' template indicates that follow-up on the recommendation has been systematically implemented, with the exception of the Requirement 1.4 which is specifically pending government action, with the implementation of the new decree organising MSG procedures.</p> <p>The government has provided funding for EITI implementation through its annual national budget. Out of the XOF 350 000 000 budgeted for each year in the period 2020-22, the EITI received XOF 202 845 000 in 2020 (58%), XOF 323 500 000 in 2021 (92%) and XOF 394 300 000 for 2022.</p>
<p>Industry engagement (Requirement #1.2)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment of Requirement 1.2 is borderline between mostly met and fully met. The industry constituency appears to be effectively engaged in the EITI process. The five MSG members represents a mix of SOE and private actors from the oil and gas and mining sectors, although the absence of international major companies engaged in the petroleum sector has been noted by stakeholders. The constituency renewed one of their members in 2022 but is yet to adopt its own ToR to codify its engagement in the EITI and its nomination process (see <i>Requirement 1.4</i>). For mining companies, the Chamber of Mines has conducted regular outreach to Chamber and non-Chamber companies, including on EITI, although there has been no institutional framework for this outreach. The two oil and gas representatives have been designated in 2019 by the government in the absence of other companies engaged in the sector at this time. Some stakeholders consulted appeared satisfied with the level of engagement and coordination within the group, although there is little documentation of this coordination. EITI has created an enabling legal environment for company participation in Côte d'Ivoire's EITI implementation. The companies are engaged in the EITI process, and most of the material companies fulfil their EITI Reporting requirements. There has been consistent attendance of all five industry MSG representatives at each meeting of the MSG across the 2020-2022 period. Companies have not provided funding for EITI implementation in the past according to stakeholders consulted. Companies have contributed to EITI outreach and dissemination efforts, especially in the mining regions, mainly through participation in workshops and activities. In the context of the mining code of Côte d'Ivoire, they have collaborated closely with the government and municipalities to set up and operationalise the local funds called CDLM, which requires them to transfer 0,5% of their annual turnover to the regional fund they are geographically attached to. Some industry stakeholders consulted explained that they used EITI data for capacity building of their staff and for communications with their investors. From the oil and gas side, PETROCI and its subsidiaries have provided adequate input to the data collection process for the thematic study on SOEs published in 2022, although there is little evidence that the report was reviewed or the findings of the study have been discussed by the members of the industry constituency.</p>
<p>Civil society engagement (Requirement #1.3)</p>	<p>The Secretariat's assessment is that the Requirement 1.3 fully met, as in the previous Validation. Evidence and stakeholder consultations indicate that the civil society constituency is fully and effectively engaged.</p>

<p><i>Fully met</i></p>	<p>The Côte d'Ivoire's ranking in international assessments of civic space has remained relatively constant in the period under review (2020-2022). The country's ranking in successive Freedom in the World reports has remained 'partly free', improving from 44/100 in 2020 to 49/100 in 2022. Its assessment by CIVICUS has remained 'repressed' throughout this period. The United States Department of State's assessment in successive Reports on Human Rights Practices has also remained constant, without indication of new restrictions on civic space in this period. The Côte d'Ivoire's ranking of press freedom by Reporters without Borders (RSE) improved significantly in the period under review, rising from 66th of 180 countries assessed in 2020 and 2021 to 37th of 180 countries in 2022.</p> <p>The nomination procedure has been codified and is publicly available on the website of ITIE Côte d'Ivoire, for each of the three sub-groups of the constituency. However, these new rules seem to have not yet been followed in practice, as only one member renewal took place since 2019. The Publish What You Pay Coalition is leading the NGO constituency, with two seats reserved to the members of the NGO subgroup, two seats distributed to the journalist organizations, and three to the unions. The term for the NGO representatives sitting at the MSG is five years, with the possibility to be renewed once, and three years for the unions and the journalists' delegates. The constituency contributed to strengthen engagement, outreach, and coordination during the period under review. There is evidence of regular outreach by MSG members to the broader constituency, even if this has not generated significant feedback or input. Some stakeholders considered that the coordination within the group could be timelier and more systematic. Civil society in its broader sense uses and disseminates EITI data in research, including and especially at the local level, with evidence of many activities related to the local funds, CDLM.</p> <p>There is no evidence of any barriers to civil society participation or input to the EITI process related to freedom of association, expression, operation, or access to public decision-making. The only incident noted by stakeholders took place in 2018 in the province of Iri, when a journalist was arrested near a mining site. There was consensus among stakeholders consulted that the constituency had undertaken some efforts to expand the group to newer organizations, although most of the seven seats are currently held by organisations and people with a long experience with the EITI. Several stakeholders highlighted the need to allow more NGO organisations within the MSG, as well as the need to include more women. Thus, the Secretariat's assessment is that all required aspects of the requirement have been addressed and the requirement's objective has been fulfilled.</p>
<p>Multi-stakeholder group (Requirement #1.4)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 1.4 is partly met, which represents backsliding since the previous Validation. The corrective actions from the previous Validation have insufficiently been addressed, and lack of discussion or activities regarding recent scandals questions the objective of meaningful oversight of the EITI process. The underlying objective has not been met.</p> <p>The previous Validation highlighted concerns about the lack of updated MSG ToRs. The government and the MSG have made efforts to codify constituency participation and renewal processes, although the revised internal procedure⁵ only refers to the guidelines of each constituency. A draft decree to overhaul the current one from 2008 has been in draft form since 2018, meaning the MSG is operating under an outdated</p>

⁵ <http://www.cn-itie.ci/wp-content/uploads/2022/09/R%C3%A8glement-Int%C3%A9rieur-R%C3%A9vis%C3%A9.pdf>, accessed in November 2022

	<p>ToR (Requirement 1.4.b)⁶. While the government and civil society have formalised their nomination procedures and coordination, industry has not yet done so. Both the renewal of ToRs and constituency guidelines for the industry were corrective actions from the previous Validation. In its response to the draft Validation Report, the MSG</p> <p>The MSG's membership was renewed ahead of the previous Validation, on 13 September 2019⁷ and represented an 85% change in members, with four previous members out of 26 reinstated. The renewal was accompanied by a note on MSG composition and membership, in a bid to clarify nominations procedures.⁸ There is no reference to term limits in the MSG's (2008) ToR or in the Government Order (<i>Arrêté</i>) nominating MSG members, nor provisions for replacement of MSG members (e.g., for repeated absence). It is left to each consistency to set their own rules. Since this nomination, two (2) members (one from the company constituency, and one from civil society, the first woman to sit at the MSG) have changed.</p> <p>On per diems, Inter-Ministerial Order 756/MEF/MME of 10 August 2009⁹ sets the rate of session allowances (per diems) for members of the MSG, reflecting the government's policy on per diems for EITI meetings, and was made public in 2019. It confirms that the MSG Chair is entitled to XOF 850 000 (USD 1 350) per meeting, ordinary members are entitled to XOF 550 000 (USD 900) while Technical Secretariat staff receive XOF 700 00 (USD 1 100) per meeting. These rates are equivalent to two to three times a schoolteacher's monthly salary in the country. There is no publicly available documentation on the actual per diems paid to EITI officeholders in the 2020-2022 period. Nonetheless, stakeholder consultations confirmed that these rates have effectively been paid in practice. Some stakeholders consulted raised concerns about the potential for per diems to cause conflicts of interest, although others disagreed. Stakeholders consulted were of the view that the EITI per diem rates were in line with prevailing per diem rates in other public-sector institutions. In practice, these rates are among the highest paid in an EITI country and pose a risk of conflict of interest and a potential breach of the EITI's Code of Conduct¹⁰ that states that "<i>any per diems set, paid or obtained should be based on reasonable actual costs</i>". In its response to the draft Validation Report, the MSG highlighted that the per diems are recorded in the budget and are subject to approval by the financial controller on the basis of the approved budget and in accordance with national practices. In this regard, Côte d'Ivoire ITIE shared two notes (not public) from the Prime Minister and the Minister in charge of the budget listing per diems of members of the Boards of Directors and specialized committees receiving up to XOF 3m-6m. The MSG also noted that non-statutory meetings are not subject to payment of the per diems.</p> <p>Article 5 of the MSG's (2008) ToR confirms that the MSG is composed of 26 members in total. This provision was implemented in practice and reflected in the MSG's note on the nomination of its members. The position of the MSG Chair is assigned to the Ministry of Economy and Finance, the position of Vice Chair to the Ministry of Hydrocarbons and the Technical Secretariat is hosted by the Ministry of Mines and Geology. Pursuant to the decree nominating the President, Vice President, Technical</p>
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⁶ Although the government has developed a draft new Decree for EITI implementation, it is not yet enacted. Thus, the MSG's Terms of Reference continues to be Decree 2008-25, as in the previous Validation.

⁷ Handover ceremony EITI Cote d'Ivoire website, accessed [here](#) in December 2022, codified with Arrêté 0345/MEF/MMG/MPEER/SEPMBPE.

⁸ Note on the Nomination of MSG members, accessed [here](#) in November 2022

⁹ Decree on MSG per diem policy, accessed [here](#) in November 2022

¹⁰ <https://eiti.org/documents/eiti-association-code-conduct>

	<p>Secretariat and members of the MSG adopted on 16 August 2019, about 85% of the MSG was renewed as of the start of the previous Validation. Since then, two (2) members (one from the company constituency, and one from civil society, the first woman to sit at the MSG) have changed. The industry constituency on the MSG has not yet developed its constituency guidelines. There is some evidence of consultations within the civil society constituency before nominations were carried out, as well as within the company constituency, including mining companies not represented on the MSG represented by the mining industry association GPMCI (Groupement Professionnel des Miniers de Côte d'Ivoire).</p> <p>The civil society constituency includes seven representatives, split between three sub-constituencies. For the unions sub-constituency, the three trade unions that existed in 2008 were nominated to select MSG members. For the non-government organisation (NGO) sub-constituency, the Publish What You Pay (PWYP) Coalition is responsible for appointing two representatives. Representatives from the National Union of Journalists of Côte d'Ivoire (UNJCI) and GEPCI were designated by the sub-committee of journalists and press publishers. There has been only one change since 2019, with a new representative from the NGO 'Social Justice', the first woman to enter the MSG in Côte d'Ivoire. The trade union or the media sub-constituencies have not been renewed. There is evidence to show that civil society met on a quarterly basis to discuss EITI implementation, as well as some evidence to suggest that civil society representatives on the MSG convened meetings with CSOs not represented on the MSG to report on the MSG's activities and seek views on the preparation of key documents of EITI Reporting such as the workplan and the 2019 EITI Report.</p> <p>There has been only one change in the industry constituency since 2019 with the replacement of the PETROCI representative. Some stakeholders consulted considered that MSG representatives from the oil and gas industry could better represent the petroleum sector engagement, with major companies with recent investments in the sector like Total or ENI not currently included in the constituency. According to stakeholders, this is due to the fact that oil and gas international companies had left the country during the renewal in 2019.</p> <p>The government constituency is made up of 14 members, including representatives of the Office of the Prime Minister and relevant Ministries and agencies. Nominations procedures have not changed since the first Validation, and still consist of the head of each named government entity nominating their MSG representative. There have not been any changes since the previous Validation,</p> <p>The Ministry of Economy and Finance, in consultation with the MSG, has developed a draft new EITI Decree, in order to update the legal status of the EITI and the roles and responsibilities of the key bodies of EITI Côte d'Ivoire. The MSG approved the draft decree on 6 June 2019, and this was subsequently submitted to the government for its consideration and eventual adoption. Draft internal rules for the MSG were shared with the International Secretariat in the lead up to Côte d'Ivoire's second Validation but had not yet been adopted or published at the start of Validation. The MSG's ToR thus remain the 2008 Decree.</p> <p>In terms of attendance, a review of meeting minutes shows that the MSG has met regularly to discuss EITI implementation, in with its agreed frequency. A review of MSG meeting minutes indicates that the MSG held four ordinary meetings in 2020, six in 2021 (four ordinary and two extraordinary) and seven in 2022 (due to three</p>
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	<p>extraordinary meetings on the upcoming Validation). A majority of the discussions centred on beneficial ownership, local content with the local funds “CDLM”, corrective actions, the publication of the 2019 EITI Report and the 2022 work plan. Attendance remained above 90% in all three years, with a quorum (defined as half of MSG members present in Article 7 of the MSG’s ToR) reached at all meetings.</p> <p>The MSG’s decision-making procedures have not changed since the previous Validation. Government, industry and civil society stakeholders consulted as part of Validation confirmed that the MSG’s decision-making process was inclusive and that no single constituency was over-ruled in any decision in the 2020-2022 period. The details of MSG discussions are reflected in meeting minutes and are available on the EITI Côte d’Ivoire website.¹¹ As required by the ToR (Article 7 of the Decree), the technical secretariat prepares draft minutes of all meetings, which are subsequently approved by the MSG.</p> <p>Regarding the capacity of the MSG, The MSG’s ToR do not explicitly require that MSG members should have the capacity to undertake their duties on the MSG. The nominations procedures for professional NGOs on the MSG require that representatives have a proven experience of three years in the sector. Article 8 of the MSG’s ToR confirm that the MSG Chair has the right to invite resource persons with relevant competencies to MSG meetings. MSG meeting minutes confirm the presence of resource persons at some meetings.</p> <p>Article 3 of the ToR confirms the creation of the Technical Secretariat, and Article 9 of the ToR notes that the Technical Secretariat is made up of one representative from the Ministry of Mines and Geology, two CSO representatives, two government representatives aside from the representatives from the Ministry of Mines and Geology and two representatives from the industry constituency. Stakeholders consulted unanimously considered that the Technical Secretariat appears to have fully and effectively supported the MSG’s oversight of EITI implementation in practice in the 2020-2022 period.</p>
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New corrective actions and recommendations

- To strengthen implementation of Requirement 1.1, Côte d’Ivoire is encouraged to further its efforts to overcome legal barriers to disclosure of key EITI data, such as mining contracts and beneficial ownership.
- To strengthen implementation of Requirement 1.2, Côte d’Ivoire is encouraged to institutionalise outreach efforts to companies which are not members of the MSG, supported by the EITI and the government, potentially through ‘open days’ on EITI open to all companies.
- To strengthen implementation of Requirement 1.3, the MSG is encouraged to regularly monitor developments regarding civil society’s ability to engage in all aspects of the EITI process and to organise awareness-raising sessions on the EITI protocol: Participation of civil society, with participation from the three constituencies. The government, in collaboration with the MSG, is encouraged to document the measures it undertakes to remove any obstacles to civil society participation in the EITI, should these arise in future. To further strengthen civil society engagement, the civil society constituency is encouraged to sustain efforts to further broaden the constituency and to ensure that voices critical of the management of extractive industries are adequately represented.

¹¹ Minutes of MSG meetings, accessed [here](#) in December 2022

- In accordance with Requirement 1.4, Côte d'Ivoire should ensure that the procedures for nominating and replacing multi-stakeholder group representatives are public and implemented in a fair, open and transparent way. In particular, the industry constituency should ensure that it establishes clear nominations and representation guidelines. The MSG should elaborate robust internal governance documents that cover all aspects of Requirement 1.4.b, including term limits. To strengthen implementation, and given the central role that civil society plays in Côte d'Ivoire, the MSG may also wish to build capacities of civil society groups and broaden the reach of the EITI in Côte d'Ivoire, and ensure that relevant MSG meetings are open to observers in practice in accordance with the MSG's ToR.

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

Côte d'Ivoire EITI has built a central repository of information about the extractive sector, including a detailed overview of the mining and the oil and gas sector. The main companies operating in the country as well as the main exploration projects are described, as well as a short history and future projects for both sectors. Some of this information is also available on government websites, but not in equal detail to the national EITI website, which contains in-depth information and is updated regularly. Therefore, all aspects of the requirement have been met, but not yet exceeded.

Côte d'Ivoire EITI has played a key role in improving the accessibility of information on the extractive industries' contribution to the economy, including by centralising information on their contribution (in absolute and relative terms) to GDP, government revenues, exports, and employment, disaggregated by gender. While government portals provide information on extractive exports, the location of extractive activities and estimates of the value of informal extractive activities, much of the macro-economic data listed in Requirement 6.3 still appears to be primarily disclosed through annual EITI Reporting. Therefore, the Secretariat's assessment is that Côte d'Ivoire has addressed all technical aspects of the requirement and that the broader objective of ensuring a public understanding of the extractive industries' contribution to the national economy and the level of natural resource dependency in the economy has been fully met, but not yet exceeded.

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 / assessment	Summary of progress in addressing the EITI Requirement
Exploration (Requirement #3.1) <i>Fully met</i>	<p>The Secretariat's assessment is that the Requirement 3.1 is fully met, as in the previous Validation. Côte d'Ivoire has addressed all aspects of this requirement, and the underlying objective of ensuring public access to a complete overview of the extractive sector has been fulfilled according to all stakeholders. A comprehensive overview of both mining and oil and gas sector is available in the 2019 EITI Report It includes the development for the year under review, a brief history and a summary of the main present / past projects. The 2019 year marked a significant development and institutionalisation of the mining sector, with the creation of a dedicated ministry for the time, with a focus on the local content with the operationalisation of the CDLM, as well as the end of a 5-year tax holiday for many mining companies. The 2019 EITI Report also includes a section on artisanal mining, including a</p>

	detailed overview of the diamond activity. For the oil and gas sector, the overview is available on the DGH website online.
<p>Contribution of the extractive sector to the economy (Requirement #6.3)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 6.3 is fully met, as in the previous Validation. Most stakeholders consulted from all constituencies felt that the EITI provided a comprehensive overview of the contribution of the extractive industries to the economy.</p> <p>The Secretariat considers the overall objective to have been met and includes encouraged gender disaggregated employment data. Côte d'Ivoire has the potential to exceed it by strengthening its systematic disclosures related to the contribution of the extractive sector to the economy.</p> <p>Côte d'Ivoire's EITI Reports provide comprehensive publicly available data on the contribution of the oil, gas and mining industries in absolute and relative terms to GDP, government revenues, exports and employment. Annex 24 of the 2019 EITI Report provides employment data for reporting companies disaggregated by gender and nationality (national or foreign) and by profession, as encouraged by Requirement 6.3.d. The 2019 EITI Report also provides a brief estimate of the informal sector's contribution to the extractive industries in terms of output, but not in terms of GDP, exports, or employment.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • To strengthen implementation of Requirement 3.1, Côte d'Ivoire is encouraged to improve accessibility of information on the overview and exploration activities of the mining sector through routine government systems, drawing from the oil and gas information already available online. • To strengthen implementation of Requirement 6.3, Côte d'Ivoire is encouraged to improve accessibility of information on the contribution of the extractive industries to the economy through routine government and company systems. 	

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

Overview of progress in the module

Côte d'Ivoire has used its EITI disclosures to provide a comprehensive review of the legal framework and fiscal regime for the petroleum and mining sectors. EITI implementation has led to the recent strengthening of contract and license disclosure practices, in accordance with the law N° 2012-369 of 18 April 2012 ensuring the public availability of all production sharing agreement in the oil and gas sector. In November 2022, all contracts signed since 1 January 2019 have been published through a special edition of the official gazette, adding to the eight agreements already disclosed through the [EITI national platform](#). These efforts provide opportunities for the EITI to comprehensively review all active contracts and licenses and systematically signal their availability to the public, through a list or by linking the contracts to the active cadastres for both sectors. Mining production contracts have been disclosed following the start of the Validation. Côte d'Ivoire has started to expand the scope of its EITI implementation to cover the management of environmental impacts of the extractive industries in practice, to answer significant public interest in the topic. The MSG has made some efforts at improving

transparency by ensuring disclosure by two of the 29 material companies' disclosures of contributions to environmental rehabilitation funds, but a more systematic diagnostic of the practice could be undertaken. In general, there is scope for Côte d'Ivoire to work with relevant government entities including the Ministries directly involved in the EITI process to strengthen their systematic disclosures of legal, fiscal and environmental provisions related to the extractive industries.

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	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 the Requirement 2.1 is fully met, as in the previous Validation. By addressing the legal framework, fiscal regime, roles of government entities and reforms, Côte d'Ivoire's EITI statement provides the public with a clear understanding of all aspects of the country's extractive industries regulatory framework. The overall objective of ensuring a clear public understanding of all aspects of the extractive industries regulatory framework is therefore fulfilled.</p>
<p>Contracts (Requirement #2.4)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Côte d'Ivoire has mostly met Requirement 2.4. While stakeholders highlighted that many oil and gas contracts had been published, most of the mining contracts and licenses remain to be disclosed. In addition, there had been no systematic review of publications of contracts and licenses in the extractive sector. Mining contracts and licenses are yet to be published, and some stakeholders considered the lack of publication in the mining sector as problematic. The 2019 EITI Report provides an overview of the applicable legal framework for extractive contract and license disclosure. The legal framework largely supports public dissemination of the contents of licenses and contracts. Hence, there do not appear to be explicit legal barriers to contract transparency. Given that extractive contracts are awarded by laws and extractive licenses awarded by decree, the publication of the full text of these documents is required in the official gazette (<i>journal officiel</i>). After the start of the Validation, in November 2022, the seven oil and gas contracts signed between January 2019 and July 2022 have been made public through a special edition. It includes the full text of the contract, as well as amendments and annexes. This publication has been unanimously welcomed by stakeholders engaged in the extractive sector. Several others production sharing contracts are also available through the national EITI website. However, in the absence of a comprehensive review of all active contracts and licenses with references to where each license is publicly accessible, it is difficult to conclude whether all documents have been published. An overview or a list of all active contracts and licenses, including exploration contracts, indicating which contracts and licenses are publicly available, and which are not, does not appear to be yet publicly available. In its response to the draft Validation Report, the MSG, confirmed that oil contracts signed since 2019 have been published in the Official Journal and on the national EITI website. In the mining sector, all mining production contracts concluded since 2019 have been transferred to the Secretariat General of the Government for publication, and</p>

	copies have been published by Côte d'Ivoire EITI ¹² . However, these disclosures seem to only include production, not exploration, licenses and contracts.
Environmental impact (Requirement #6.4) <i>Not assessed</i>	The Secretariat's assessment is that Côte d'Ivoire has addressed some encouraged aspects related to the environmental impact of the extractive industries, but that Requirement 6.4 should remain 'not assessed', given that several encouraged aspects of this requirement remain to be addressed by EITI Côte d'Ivoire. The 2019 EITI Report provides some information on the management and monitoring of the environmental impact of the extractive industries, including relevant legal provisions and administrative rules related to environmental management and monitoring of extractive investments in the country, but no information on actual practices such as adherence to environmental impact assessment requirements. Several government and civil society stakeholders consulted highlighted the significant public interest in environmental impacts of the extractive industries, but noted that the objective of transparency in the management of these impacts had not yet been achieved given that the scope of EITI disclosures could be expanded to better describe the practices of environmental management of the extractive industries.

New corrective actions and recommendations

- To strengthen implementation of Requirement 2.1, Côte d'Ivoire is encouraged to further publicize systematic public disclosure by the government of information on the legal framework and fiscal regime for the extractive industries, which is still primarily disclosed through the EITI Report, with the notable exception of laws and regulations clearly sourced online.
- In accordance with requirement 2.4, the MSG should agree and publish a plan for disclosing mining contracts and licenses with a clear time frame for implementation addressing any barriers to comprehensive disclosure of all licenses and contracts awarded and amended since 1 January 2021. Côte d'Ivoire EITI should also produce a list of all extractive contracts and licenses, indicating which are public and which are not.
- To strengthen implementation of Requirement 6.4, Côte d'Ivoire is encouraged to use its EITI Reporting to provide an overview of relevant legal provisions and administrative rules as well as actual practice related to environmental management and monitoring of extractive investments in the country. This could include 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

Côte d'Ivoire has continued to use its EITI Reporting to improve transparency in licensing practices in the petroleum and mining sectors since the last Validation. In collaboration with the DGH, it has established an excel [oil and gas cadastre](#) that discloses all information required by

¹² http://www.cn-itie.ci/?page_id=75/ see list of signed agreements

the EITI Standard, pending the planned establishment of systematic disclosure by the DGH. The comprehensiveness of the modern online [mining cadastre](#) has also been improved since the last Validation. EITI Reporting has clarified the statutory procedures for awarding and transfers of oil licenses, as well as criteria assessed for transferring permits. For mining, procedures for awards, and transfers have been clarified by stakeholders consulted. The 2019 EITI Report review of the practice of awards and transfers could be more extensive, and a thematic study reviewing the legal framework and potential deviations in practice has been published in February 2023 by EITI Côte d'Ivoire. Côte d'Ivoire could address recommendations of successive EITI Reports and civil society calls for more oversight of the process for discretionary awards of oil and gas rights through the development of an implementing Decree for the current Hydrocarbons Code.

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	Summary of progress in addressing the EITI Requirement
<p>Contract and license allocations (Requirement #2.2)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 2.2 is fully met, which is an improvement since the last Validation in the country. Stakeholder consultations have clarified the procedures in the oil and gas sector, and through the thematic study on contract and license awards published in 2023, Côte d'Ivoire has fulfilled the objective of allowing stakeholders to identify and address possible weaknesses in the license allocation process.</p> <p>The 2019 EITI Report lists the 42 mining licenses awarded in 2019 and 4 new blocks awarded in the oil and gas sector. Government agencies consulted by the IA stated that only one transfer of a mining license took place in the year under review. However, another mining license seems to have been transferred in 2019 to the company Newcrest, as noted by the IA. None of the license awards in 2019 were conducted through competitive tender, whether for oil and gas or for mining. For oil and gas, the report does not appear to describe any technical or financial criteria for awards of oil and gas blocks, aside from referring to the assessment of applicants' technical and financial capacities and referring to the fact that the same criteria are assessed for transfers as for awards. The report only refers to the need for applicants to demonstrate past experience as an operator in zones with similar conditions without further detailing the specific technical and financial criteria assessed. Stakeholders consulted considered this situation as a result of the past and present situation of the oil and gas sector in the country, when only few international oil companies apply for blocks, directly negotiating with the State. For mining, the 2019 EITI Report describes the specific technical and financial criteria for awarding the seven different types of mining licenses and confirms that the same criteria apply for mining license transfers as for awards.</p> <p>The 2019 EITI Report's note that the MSG's diagnostic report on mining and oil and gas license awards consisted in a letter sent to the regulatory agencies, respectively DGMG and DGH who confirmed the lack of non-trivial deviations from statutory procedures. Côte d'Ivoire EITI Reporting does not reference any additional commentary by the MSG on the efficiency of the current mining and petroleum</p>

	<p>licensing systems. However, a thematic study has been conducted and published¹³ in February 2023. Using a risk-based approach, it reviewed the practice of awards and transfers in both sectors, allowing for high-level discussions with stakeholders. The verification of the procedures used for the granting and transfer of concessions, contracts, licenses, permits and other rights of exploitation and exploration rights in the mining, oil and gas sector revealed the existence of certain shortcomings related to compliance with regulations and best practices, in particular the lack of documentation required in the award in the oil and mining permits. The study's findings and recommendations were commented on by the entities concerned and discussed by the MSG and non-EITI stakeholders¹⁴. The implementation of the corrective actions has been integrated to the work plan, and the MSG has expressed the wish to reproduce this exercise in future EITI reports.</p>
<p>Register of licenses (Requirement #2.3)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that the Requirement 2.3 is fully met, which is an improvement since the last Validation. The weaknesses of the two license registers identified during the previous Validation appear to have been addressed.</p> <p>EITI Côte d'Ivoire has developed in partnership with the Direction Générale des Hydrocarbures (DGH) an open format cadastre for the oil and gas sector containing all the information for each active license which is regularly updated. This document also contains the history of old licenses. Four (4) application dates are still missing, those corresponding to the former production projects still in operation CI-11, CI-26, CI-27 and CI-40. The stakeholders consulted did not consider this gap to be problematic and felt that the information could easily be added. The commodity produced also appears to be missing but can be deduced from the production figures in the 2019 EITI Report. Regarding the mining sector, the online cadastre appears to contain all active licenses held by material companies in the sector. The names of the holders, contact information, commodity produced, and the dates of application, award, and expiration are comprehensively included.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • To strengthen implementation of Requirement 2.2, Côte d'Ivoire is encouraged to use EITI Reporting as a mean for annually assessing the efficiency of license allocations and transfers in the mining, oil and gas sectors, drawing from the study published by BDO. The MSG is also encouraged to extend its review to licenses that were not awarded or transferred during the financial year covered by EITI reporting. • To strengthen implementation of Requirement 2.3, Côte d'Ivoire is encouraged to link cadastre information to other sets of extractive data, such as contracts, both in the mining and the oil and gas sector. 	

¹³ <http://www.cn-itie.ci/wp-content/uploads/2023/02/1-Rapport-%C3%A9tude-sur-les-conditions-octrois-des-titres-miniers-Vers.finale.pdf>

¹⁴ <http://www.cn-itie.ci/wp-content/uploads/2023/03/PV-REUNION-EITI-15-FEVRIER.pdf>

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 2019.¹⁵ The assessment consists of a technical assessment focusing on initial criteria and an assessment of effectiveness.

Technical assessment

The technical assessment is included in the Transparency template, in the tab on Requirement 2.5.

The assessment shows that Côte d'Ivoire has made progress towards but not fully established a legal basis for the collection and disclosure of beneficial ownership information. The 2019 and 2020 budget laws mention the obligation for companies to submit a list of their beneficial owners to the tax administration, but do not mention its public disclosure of their identity. A draft law has been prepared by the MSG and remains under discussion. Pending the adoption of this law by the parliament, an online platform has been developed under the leadership of the EITI and launched September 2022. The MSG has agreed definitions for “beneficial owner” and “politically exposed person” that are aligned with international best practice for the purposes of EITI data collection, with a 25% threshold for disclosures. The rate of disclosure of ownership data through successive EITI Reports has improved marginally but remains limited, with only 20 companies currently registered, and five (5) companies with some partial beneficial ownership information on the [portal](#), out of more than 500 companies currently holding oil and gas or mining rights.

The 2019 EITI Report does not include an assessment of the comprehensiveness and reliability of its EITI disclosures from a total of the 29 material companies. Names of the stock exchanges where the parent companies of seven petroleum and mining companies are listed, along with links to their stock exchange filings, are provided.

Assessment of the effectiveness

The 2019 EITI Report presents the result of the data collection from extractives companies and pointed that besides the 29 companies included in the scope of the EITI Report, only 17 companies submitted their beneficial ownership declaration form, and eight (8) of them submitted signed reporting templates. The report provides the information on legal owners as well, three companies in the scope did not provide the list of their legal owners. Nonetheless, Côte d'Ivoire's efforts to pilot beneficial ownership reporting through the EITI Report and its online platform are noteworthy, and it has expanded the scope of reporting companies, even if gaps in comprehensiveness and reliability of reporting persist.

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.

¹⁵ <https://eiti.org/document/assessing-implementation-of-eitis-beneficial-ownership-requirement>.

EITI Requirement / past corrective action	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 considered that the objective of transparency in ownership of extractive companies is still not achieved, given that the legal and regulatory framework had yet to be finalised in order to enable the collection and public disclosure of beneficial ownership data. Partial BO data collection has started through an online platform supported by the GIZ and through the traditional EITI reporting cycle. It allowed BO data to be disclosed for some companies engaged in the extractive sector, although this is still at an early stage.</p> <p>The MSG had assessed and documented gaps or weaknesses in disclosure of beneficial ownership information, including an assessment of the materiality of omissions and the reliability of beneficial information. Most Civil society stakeholders consulted considers the lack of progress in BO disclosures as an issue and highlighted a possible lack of political will. The Secretariat's view is that the objective is only partly met.</p> <p>The EITI Report did not identify clear government policies nor a legal framework on beneficial ownership disclosure. However, the budget state law for 2019 introduced a provision on beneficial ownership requiring the companies to submit to the tax administration a list of their beneficial owners as defined by the provisions of Law No. 2016-992 of November 14, 2016 relating to the fight against money laundering and the financing of terrorism. The law n° 2019-1080 of December 18, 2019 on the State Budget for the year 2020 introduced the obligation for legal persons, whatever their form and their activity, to produce, before the start of their operations, a declaration, according to a template established by the tax department, relating to the identity of their beneficial owners within the meaning of national and international standards on the fight against money laundering, the financing of terrorism and the proliferation of weapons of mass destruction. As per our consultations with tax department, we understood that the information received are not meant to be publicly disclosed but used by the department as part of their investigation work.</p> <p>In addition, the MSG drafted a legal text on the disclosure of beneficial owners. This text has been widely shared with stakeholders and addresses the issue of politically exposed persons for the first time. Pending the adoption of this law by the parliament, an online platform has been developed. This platform was officially launched on September 22 in the presence of several actors from the oil sector, mining, civil society, journalists and public administration, and allows systematic disclosure of beneficial owners. As per 10 January 2023, more than 20 companies registered in the platform, only 5 companies disclosed their beneficial owners.</p> <p>In the meantime, and due to the lack of legal provision to disclose their beneficial owners, data on beneficial ownership are disclosed at the level of the EITI Reports. The 2019 EITI Report presents the result of the data collection from extractives companies and pointed that among the 29 companies included in the scope of the EITI Report, only 17 companies did submit their beneficial ownership declaration form, 8 of them submitted signed reporting templates. The report provides the information on legal owners.</p> <p>Information seemed to have been requested only from the material companies holding an active permit and links to the market exchange for listed companies have been</p>

	correctly provided. No MSG assessment or comments on the reliability and comprehensiveness of data collected was provided during this Validation. In its response to the draft Validation Report, the MSG noted that the independent study also included an assessment of data quality and completeness, acknowledging shortcomings in the comprehensiveness of the data collected due to a legal framework for the disclosure of BO data that remains constrained by the regulations governing the processing of personal data.
New corrective actions and recommendations	
	<ul style="list-style-type: none"> In accordance with Requirement 2.5, Cote d'Ivoire is required to disclose the beneficial owners of all companies holding or applying for extractive licenses. To achieve this target, Cote d'Ivoire should request all license holders to disclose beneficial ownership information and to require all applicants of extractive licenses to disclose their beneficial owners. EITI cote d'Ivoire should strengthen the public register of beneficial owners with an effective legal framework providing the obligation to companies to disclose their beneficial owners according to a definition in line with the requirement 2.5.

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

Overview of progress in the module

Cote d'Ivoire's national oil company, PETROCI Holding represents the state's interests in the whole petroleum value chain, but not to exercise regulatory functions. The wholly state-owned company collects the state's in-kind revenues and is entitled to a commission on crude oil sales, alongside the net income from its oil assets, interest income, loans and state subsidies. In the mining sector, the state holds 100% ownership of SODEMI, (Société pour le Développement Minier de la Côte d'Ivoire) established since 1962.

Since last Validation, Cote d'Ivoire has used its EITI Reporting to improve transparency around state participation in the mining and petroleum sectors, including the extractive SOEs' financial relations with the state as well as clarifications on the quasi-fiscal expenditures in the oil and gas sector. The [SOE study](#) recently released provides extensive descriptions of the rules and practices related to the financial relations between SOEs and the state. This study provides the most comprehensive overview of these financial relations accessible in the public domain.

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	Summary of progress in addressing the EITI Requirement
State participation (Requirement #2.6)	The Secretariat's assessment is that Requirement 2.6 is fully met, which is an improvement over the previous Validation. The International Secretariat recognizes the efforts made to improve SOE transparency, and notes that the SOE thematic study has

<i>Fully met</i>	<p>been updated to address the gaps identified in the draft Validation report. While PETROCI Holding could still publish additional information and take action on the scandal involving Glencore (see <i>Requirements 1.4 and 7.1</i>), the underlying objective of the Requirement appears to be met.</p> <p>There are three material SOEs in the extractive industries in Cote d'Ivoire according to the 2019 EITI Report as well as the SOE study, including PETROCI Holding and PETROCI CI-11 in the oil and gas sector, as well as SODEMI in the mining sector. There are few systematic disclosures related to extractive SOEs' financial relations with the state. Cote d'Ivoire has used its EITI reporting to clarify the statutory procedures and actual practices related to the financial relations between extractive SOEs and the state.</p> <p>The study provides the most comprehensive and updated review of the SOEs in the extractive sector but raised some concerns on the financial relation with the government with regard to the comprehensiveness of data reported as part of the oil for gas swap agreement and offset transaction as well as on the governance of the SOEs and especially the ownership status and results retaining policy of PETROCI CI 11 (see below).</p> <p>2019 EITI Report as well as the SOE study describe the statutory rules related to the SOE financial relation with the state.</p> <p>The EITI Reports stated that the distribution of PETROCI's profits, in the form of dividends, depends on several factors, namely the result for the period, the amount of accumulated and undistributed results, the available cash balance, the needs of the activity and the budgetary needs of the state. The amount distributed to the State is subject to the approval of the Minister in charge of the Economy and Finance. The 2019 financial statements of PETROCI Holding reported more than 1 million of dividends owed to the government, dating for more than 2 years. Similar amount was reported in the 2019 financial statements of SODEMI from which more than 80% dated to more than 2 years.</p> <p>EITI reporting entails rules and practises governing the financial relationship between the SOEs and the government. It identifies the rules related to the ability of SOEs to obtain third party financing including notably the decree fixing the borrowing and guarantee thresholds of State-owned companies. Although no similar rules have been identified in the EITI Report regarding the ability of the SOEs and its subsidiaries to reinvest in their operations especially for PETROCI CI-11, this information is provided in the thematic report on SOEs. Despite that PETROCI CI-11 generated a profit as per 2019 financial statements, no dividends have been transferred to PETROCI Holding. This was explained by the company management that this profit has been reinvested to cover the operating costs of CI-11 block given that PETROCI CI-11 is a branch and not a full-fledged company. The dividend distribution policy of PETROCI CI-11 is also described in the section 3.2.2.1 of the updated SOE Report.</p> <p>The 2019 EITI Report provides an overview of state and SOE equity participations in extractive companies, including the terms attached to the equity interests. A list of state and SOE participations in extractive projects is provided through the EITI Report and SOE study, including the terms attached to each participation. During the consultation with the PETROCI management, we noted some differences between the explanations provided and the EITI Reports regarding the ownership of PETROCI CI-11. In its response to the draft Validation Report, the MSG clarified that the company PETROCI-CI 11 is a</p>
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	<p>branch of PETROCI CI 11 Limited, a Cayman Islands company wholly owned by PETROCI Holding.</p> <p>The EITI Report and the thematic study covers the evolution of the level of ownership in both subsidiaries and joint ventures during the reporting period. Regarding the decrease of government participation in PETROCI USA from 100% to 0%, the 2019 EITI Report notes the sale of the subsidiary in late 2019, confirmed by the annual report of PETROCI, for a total of XOF 686 million. The EITI Reports noted also the decrease of the participation of PETROCI Holding in CI-100 operated by TOTAL, the EITI Report noted that the block was returned end 2019. No evolution in the level of ownership has been reported for the mining sector.</p> <p>PETROCI Holding did not report any loans or loan guarantees received from the government, however, the EITI Reports highlighted the existence of several debts in the 2019 financial statements dating for more than 2 years. The nature of the debt, the conditions and the repayment schedule have not been communicated. The EITI Reports provided details on the memorandum signed on June 25, 2019, between the government and PETROCI for a reciprocal debt offset. The residual claim of the State on PETROCI in the amount of 26,908,695,875 XOF will be paid by PETROCI over a period of ten years. The schedule provides for a reimbursement of an amount of XOF 1 708 695 875 in 2019 and a constant annuity of XOF 2 800 000 000 from 2020 until 2028. The protocol does not provide any details on the interest rate. For the mining sector, SODEMI reported granting two loans to two mining companies in which it holds a stake. The nature and conditions for granting loans are detailed in the EITI Report. The report on the SOE debt situation as of December 31, 2019, discloses the stock of guaranteed debt of state-owned enterprises. The only companies listed are AIR CI and SIR.</p> <p>PETROCI Holding, PETROCI CI-11 and SODEMI published their financial statements in their websites. The EITI Reports detailed the rules and practises related to the governance of the SOE.</p> <p>Despite the improvement in the transparency of the SOEs and the efforts made to disclose information on their policies and governance, little information has been disclosed in relation to the measures taken by PETROCI Holding with regards to the Glencore affair. Indeed, despite Glencore publicly confessing to having corrupted officials of the SOE, no reaction has been published by PETROCI and we have not been informed of any measure aimed at investigating the facts established by the judgments. published by American and English justice, to delimit responsibilities and ensure that similar facts are not repeated in the future. In its response to the draft Validation Report, the MSG pointed that the matter has been discussed once as part of EITI implementation. A letter was communicated by PETROCI Holding in March 2023 indicating that the corruption case has been acknowledged and the commitment of the SOE to take measures, although without mentioning any plans or actions that could address the case.</p>
<p>Sale of the state's in-kind revenues (Requirement #4.2)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 4.2 remains fully met. Most stakeholders consulted did not express particular views on progress towards the objective of transparency in the sale of the state's in-kind revenues. The Secretariat's view is that Cote d'Ivoire has used its EITI Reporting to fulfil this objective, although it has not yet exceeded the objective by improving transparency in the selection of buyers or disclosure of oil sales contracts.</p> <p>The state collects in-kind revenues in the oil and gas sector but not in the mining sector. Cote d'Ivoire has continued to use its EITI Reporting to improve the transparency of the</p>

	<p>sales of its in-kind revenues in the period under review. The 2019 EITI Report provides the volumes of in-kind revenues collected, disaggregated by project, the volumes sold, and the proceeds of those sales disaggregated by buyer and lifting date. The detail of sales reported by PETROCI-Holding does not include data on the market price and any discount. It does not include the nature of the sales contract for all sales made, in particular for Gas. The process and criteria for selecting the exclusive marketer for the sale of State and PETROCI-Holding oil shares are not disclosed. Similarly, the legal framework for the selection of client companies has not been clarified.</p>
<p>Transactions related to state-owned enterprises (Requirement #4.5)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 4.5 is fully met, as in the previous Validation. Most stakeholders consulted considered that the objective of transparency in SOE transactions had been fulfilled with the 2019 EITI Report and the SOE study. The Secretariat's view is that no back sliding has been identified in the implementation of this requirement. The EITI Report and the recently released SOE study have been instrumental to allow a better disclosure of transaction related to the SOE, including several details disclosed for the first time, nevertheless, additional efforts are needed to improve the systematic disclosure at the SOE level.</p> <p>Cote d'Ivoire's 2019 EITI Report and the SOE study provides the disclosures related to SOE transactions mandated by Requirement 4.5, including payments received by the SOEs and transfers between the government entities and SOEs. The EITI Reporting identifies the in-kind profit oil and cost oil collected by PETROCI Holding as part of its own account participation. The SOE collected also payments related to seismic data sold to companies for prospecting activities purposes. The oil contracts also provide that, up to 10% of the share of crude oil or gas contractor's production should be sold to PETROCI for the purpose of meeting the needs of the domestic market. The sale price to PETROCI is equal to 75% of the Market Price. In terms of dividend, PETROCI Holding did not report dividends received from PETROCI CI-11, despite that the latter's financial statements showed a profit. According to the explanations provided in the EITI Reports, PETROCI CI-11, as a branch, should reinvest its profits to cover costs incurred in the exploration of CI11 field. The report includes also commissions received by PETROCI Holding for the marketing of State shares in blocks CI-40 and CI-27. This remuneration is collected in the form of a commission deducted by PETROCI from the amounts paid to the DGI as proceeds from the sale of State shares. The report includes also payments performed by PETROCI Holding to the State, including the revenues of State shares proceeds in oil fields as well as dividends. The SOE study raised concerns on additional dividends balance in PETROCI Holding not transferred to the State since more than 2 years.</p> <p>In the mining sector, SODEMI received transfers includes dividends received from Agbou Gold in which it holds 5%, the company didn't report any other dividends received during the period under review. Although, the financial statements showed the collection of 300 million XOF as a reimbursement of shareholder advance initially granted to CLM in which SODEMI holds 51%. No other revenue has been reported as related to this advance. In addition, SODEMI reported dividends repayments to the State during the period under review, additional dividends balance in SODEMI financial statements is not transferred to the State since more than 2 years. Finally, SODEMI financial statements reported that the company contracted a state bond loan under the conditions provided in the SOE study.</p>
<p>Quasi-fiscal expenditures (Requirement #6.2)</p>	<p>The Secretariat's assessment is that Requirement 6.2 is mostly met with improvements. Several civil society stakeholders considered that the objective of transparency on off-budget expenditures funded by government extractive revenues was mostly met. However, several stakeholders from government and development partners highlighted</p>

<i>Mostly met with improvements</i>	<p>the value of Cote d'Ivoire EITI disclosures as the sole source of information on quasi-fiscal activities linked to oil revenues. The Secretariat's view is that despite the lack of information published in the SOE websites regarding the quasi-fiscal expenditures, the EITI Report and the SOE study helped to address several weaknesses raised during the last Validation and helped to shed the light on the off-budget transactions with unprecedented level of details.</p> <p>The EITI Report and SOE study identified 4 quasi fiscal expenditure, 2 of them are related to social activities funded by PETROCI Holding and SODEMI, the last ones are related to the loss supported by PETROCI in the offset transaction of electricity-gas, assimilated to a subsidy paid to the CIE and the reduced price applied by PETROCI in its gas sales to CIE.</p> <p>The EITI Reporting presents the social projects funded by SODEMI and PETROCI through "PETROCI foundation" in accordance with the inter-ministerial decree no. n° 139/PM/CAB. Disclosures include the amount spent during the period under review with a disaggregation covering the project level, payment flow and beneficiary. With regard to the third quasi fiscal expenditure, it concerns the non-compensated balance of Gas-electricity invoice (see <i>Requirement 4.3</i>), the SOE study states that the balance between the amount subject to compensation (Gas invoices) and the ceiling of 50 billion FCFA is transferred by CIE to CI Energie in accordance with Article 2 of Decree 2012-1122. The payment of the uncompensated balance of gas bills due to the State is recorded only in the accounts of CI Energies without being transcribed in the State budget. The SOE study provided the detail of this amount based on data received covering the period under review as well as the quantity of gas transferred by PETROCI Holding but not the quantity of electricity transferred by CIE. Also, further clarifications are still needed on the calculation of the amount transferred to CI Energie as part of this quasi-fiscal expenditure to improve its understanding by the different stakeholders. The last quasi fiscal expenditure identified is related to the discounted prices applied in Gas sales from PETROCI to CIE. The SOE study states that the sale of the State's gas shares in blocks CI-26 and CI-11 to the CIE are carried out at a price lower than the price charged by the contracting parties in the same block for the sale of their shares to the CIE. The price differential could be assimilated to a quasi-fiscal expenditure insofar as the shortfall is not reflected in the State budget. In addition, certain gas sales going to PETROCI-Holding (own accounts) and intended for CIE are made at a price lower than that charged by the contractors. According to a letter addressed by the Minister of Mines, Petroleum and Energy to CI Energies and PETROCI dated May 2013, it was requested to reduce the price of gas from the State from the block CI-26 to 3.5 USD/MMBTU as of January 1, 2023, to "enable the electricity sector to reduce its deficit and make the investments necessary for its development". The Study provided the detail of differences and an aggregation representing the total quasi fiscal supported during the period under review. Nevertheless, information is yet to be provided on the electricity produced in return to the reduced-price gas sold as part of this transaction.</p>
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New corrective actions and recommendations

- To strengthen implementation of Requirement 2.6, Côte d'Ivoire is encouraged to describe the rules and practices related to SOEs' operating and capital expenditures, procurement and subcontracting, according to Requirement 2.6.c.
- To strengthen implementation of Requirement 4.2, Cote d'Ivoire is encouraged to expand its EITI disclosures to include a description of the process for selecting the companies buying the state's in-kind revenues, the

technical and financial criteria used to make the selection, the list of selected buying companies, any material deviations from the applicable legal and regulatory framework governing the selection of buying companies, and the related sales agreements. In accordance with Requirement 4.2.c, companies buying oil and gas resources from the state, including SOEs (or third parties appointed to sell on their behalf), are encouraged to disclose volumes received from the state or SOE or its marketing agent and payments made for the purchase of oil and gas resources, to levels of disaggregation per Requirement 4.2.a. With regard to the Glencore scandal and given that the company [admitted having](#) paid bribes to illegally buy oil shipments from PETROCI Holding, the Ivory Coast would benefit from opening an investigation within the company to establish responsibilities and put in place the appropriate controls measures, aimed at minimizing the risk that this type of case does not happen again in the future.

- To strengthen implementation of Requirement 4.5, Cote d'Ivoire may wish to consider ways of strengthening systematic disclosures of information on transactions related to SOEs, including material company payments to SOEs, SOE transfers to government agencies and government transfers to SOEs.
- In accordance with Requirement 6.2, Cote d'Ivoire is required to develop an EITI Reporting process for material SOEs' quasi-fiscal expenditures with a view to achieving a level of transparency commensurate with other payments and revenue streams and should include SOE subsidiaries and joint ventures. These disclosures should cover all material SOEs' public social expenditures, such as payments for social services, public infrastructure, fuel subsidies and national debt servicing, etc., undertaken outside of the national government budgetary process. These disclosures should be subject to the same data quality assurances as other payments and revenues disclosures as per Requirement 4.9. With regards to the quasi-fiscal expenditures identified in the SOE study, including the transfers of uncompensated balance of gas bills and the gas sold at a discounted price, SOEs involved should clarify the quantity of electricity produced during the period under review and should disclose additional information related to the calculation method of transfers of uncompensated balance from CIE to CI Energie. The harmonization of the recognition of this compensation as well as the calculation of the remaining balance by the involved parties will give more clarity to the disclosed figures and will allow a better public understanding.

Production and exports (Requirements 3.2, 3.3)

Overview of progress in the module

Cote d'Ivoire has used its EITI implementation to improve transparency in the country's production and export data, and to help strengthen government systematic disclosures of this information. The PETROCI and DGH¹⁶ websites are examples of good practice in systematic disclosures of crude oil production data, detailed per year, block and field. While Cote d'Ivoire has used its EITI Reporting to improve transparency in extractive production data, there is scope to strengthen systematic disclosures of mining production data in the same way as for the oil and gas sector. On exports, the 2019 EITI Report includes both oil volume and values, disaggregated by project, and including the price, country and buyer. Mining figures are made available in open format in the annex of the Report with even increased level of granularity, adding the dates of the transactions.

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.

¹⁶ <https://www.dgh.ci/amont-petrolier/production>

EITI Requirement / past corrective action	Summary of progress in addressing the EITI Requirement
Production (Requirement #3.2) <i>Fully met</i>	<p>The international secretariat assessment is that Requirement 3.2 is fully met, as in the previous Validation. There is no evidence of any backsliding since the previous Validation, in which Requirement 3.2 was assessed as “satisfactory progress”. The Secretariat’s assessment is that Requirement 3.2 continues to be fully met in Cote d’Ivoire. The country has addressed all aspects of this requirement: Oil and Gas and mining production data are disclosed comprehensively in the 2019 EITI Report, by volume and value, disaggregated by commodity, and by company. For oil and Gas, the information is detailed per project, block and region. Oil and Gas production data are available as well in the DGH website disaggregated by blocks and fields. The report presents also details on the estimates of data values based on the average selling prices and commercial values reported by companies (for gold production). The EITI Report raised concerns on data reliability for mining production giving the significant discrepancies uncovered during the reconciliation of the production figures.</p>
Exports (Requirement #3.3) <i>Fully met</i>	<p>The international secretariat assessment is that Requirement 3.3 is fully met, as in the previous Validation. There is no evidence of any backsliding since the previous Validation, in which Requirement 3.3 was assessed as “satisfactory progress”. The Secretariat’s assessment is that Requirement 3.3 continues to be fully met in Cote d’Ivoire. Data related to oil and gas and mining exports are published comprehensively in the 2019 EITI Report, disaggregated by commodity and company, but also by field (only for oil exports) and destination. The EITI Report raised concerns on date reliability for mining exports giving the significant discrepancies uncovered during the reconciliation of the export’s figures.</p>
New corrective actions and recommendations	
<ul style="list-style-type: none"> • To strengthen implementation of requirement 3.2, Côte d’Ivoire is encouraged to explore ways of strengthening data reliability of production figures, and to systematically disclose mining production figures. • To strengthen implementation of Requirement 3.3, Côte d’Ivoire is encouraged to explore ways of strengthening systematic disclosures of export figures, drawing from the existing exemplary disclosures through EITI reporting. 	

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

Overview of progress in the module

Côte d’Ivoire has continued to provide comprehensive and reliable disclosures of government revenues from the petroleum and mining sectors through its EITI Reporting since the previous Validation. EITI Reporting has gradually expanded to a larger share of reporting companies in the three EITI Reports published since the previous Validation, and government revenue data is almost fully disaggregated by project where applicable. There is scope for further improvements in the timeliness of EITI financial disclosures if further integrated into reforms of government

systematic disclosures, such as through regular publication on the government's revenues from the extractive industries.

Cote d'Ivoire has continued to use its EITI Reporting to improve transparency around the implementation of barter-type arrangements. Cote d'Ivoire's 2019 EITI Report and the SOE study comprehensively describes three types of barter arrangements, including the exchange of oil for gas agreement with contractors, the offset of gas invoices with electricity invoices and the commercial prepayment contract, the report provides major details mandated by Requirement 4.3.

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	Summary of progress in addressing the EITI Requirement
<p>Comprehensive disclosure of taxes and revenues (Requirement #4.1)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 4.1 is fully met, as it was at the previous Validation. Most stakeholders consulted seemed satisfied with the country's EITI Reporting coverage in terms of companies and revenues. The Secretariat believes that the objective is being met regarding full adherence to reporting by government entities and major companies, although there is room to strengthen the systematic disclosure of payments and revenues by government and companies.</p> <p>Côte d'Ivoire continued to publish conventional reconciliation reports, maintaining its high coverage for the EITI reconciliation exercise. Following a publicly documented approach, EITI Côte d'Ivoire ensured EITI Reporting compliance for all extractive companies except one oil and gas company in 2019. Disaggregated disclosure coverage for the oil and gas and mining sector of, respectively, 90 and 96%, suggest that this information is comprehensive. While the 2019 EITI Report contains a review of the audit status of significant companies, there has not yet been an improvement in the accessibility of audited financial statements of extractive companies.</p>
<p>Infrastructure provisions and barter arrangements (Requirement #4.3)</p> <p><i>Mostly met with improvements</i></p>	<p>The Secretariat's assessment is that Requirement 4.3 is mostly met with improvements since the previous Validation. Government officials consulted considered that the objective of public understanding of infrastructure provisions and barter-type arrangements had been mostly achieved through Cote d'Ivoire EITI Report and SOE study. The Secretariat's view is that there has been substantial progress made towards the objective especially through the SOE study, leading to address several weaknesses raised in the previous Validation related to the provision governing the barter arrangements and explanation of the key terms of the transaction and providing the quantities and values exchanged. In its response to the draft Validation Report, the MSG considered the overall objective of the requirement to be fully met. Nevertheless, information regarding the gas-electricity swap agreement is still missing to reach the fully met assessment for this requirement, in particular an estimation of the amount of electricity provided in exchange for gas.</p> <p>Cote d'Ivoire has used its EITI Reporting to significantly improve the transparency of barter-type arrangements related to the extractive industries. There were three</p>

	<p>types of barter-type arrangements according to the definition of Requirement 4.3 in force in 2019. The first one consists in the exchange between PETROCI and the contractors, the shares of the State of crude oil by converting their equivalent into gas in order to give priority to the local market for gas purchases and meet the local needs of electricity production. The swap is based on the value of oil and gas exchanged on the date of the operation. This operation is neutral for the parties and is not likely to generate a loss or gain for the State or the contractors. The SOE study presented the values and volumes of Oil exchanged and Gas received. The swap is operated on the production of the blocks CI 27 (operated by FOXROT), CI 40 (operated by CNR), CI 26 (operated by CNR) and CI 11 (operated by PETROCI CI 11). Despite that the operation is supposed to be neutral for the parties, this operation generated a loss of USD 223,872 for the contractors from the swap operation carried out in February 2019 on block CI 26. The report states that this loss will be settled in the next monthly swap operation.</p> <p>The second barter arrangement identified in the SOE study is closely related to the first one as it is using the gas received from the private operators, and can be described as the Offsetting of electricity invoices with gas invoices between the CIE (the private electricity producer) and PETROCI Holding, this arrangement is ruled by the decree n° 2012-1122 of November 30, 2012 which is imposing a ceiling limit to the payment of gas bills due to the State. According to the provision of this decree, all of the State's shares in gas production are sold by PETROCI to CIE. The payment of gas invoices is offset with the electricity invoices of the State within the ceiling limit of 50 billion FCFA per year. The non-compensated difference is affected for the financing of investment works in the electricity sector. More explanations regarding the uncompensated balance will be provided in the 6.2 as it is considered as quasi fiscal expenditure. The SOE study provides information about the quantity of gas provided by PETROCI holding to CIE in 2018, 2019 and 2020, the amounts of the CIE electricity invoices compensated as part of the agreement for the 3 years but not the quantity of electricity exchanged as part of this swap agreement which represent a missing information according to the requirement 4.3. The non-compensated difference for the same period is provided in the study. In its response to the draft Validation report, the MSG noted that the quantities exchanged under the gas for electricity agreement will be disclosed as part of the 2021 EITI Report.</p> <p>The third barter arrangement concerns a commercial prepayment contract signed on June 18, 2015 between Worldwide, a company registered in the British Virgin Islands, to finance the oil costs related to the participations held for PETROCI account in the oil contracts. The SOE study confirmed that this agreement concerns only PETROCI share and do not affect the production shares of the State. The SOE study outlines the main provisions of the financing agreement including the principal, the interest rate, and reimbursement calendar and presents the quantities sold throughout the period covered by the financing.</p>
<p>Transportation revenues (Requirement #4.4) <i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 4.4 remains not applicable in the period under review, as in the previous Validation. The transport of extractive commodities does not appear to generate revenues as understood by the requirement 4.4 of the EITI Standard. In the context of Côte d'Ivoire, these transport activities are managed by private operators for their own accounts and are included in the operating costs of these operators. The fiscal framework does</p>

	not provide for the collection of specific revenues by the state for transport activities.
Level of disaggregation (Requirement #4.7) <i>Mostly met</i>	<p>The Secretariat's assessment is that the Requirement 4.7 is mostly met by Côte d'Ivoire. Financial data is adequately disaggregated in the 2019 EITI Report per government agency, company and revenue stream. On project-level reporting, the MSG has approved a clear definition of project in the country, in line with the 2019 EITI standard. On the methodology aspect, the MSG has designed an overview of the 27 individual revenue streams that should be reported by project, and the government agency responsible for the collection of the revenue flow. The actual practice of disclosure in 2019 concludes to more than 66 percent of the revenues levied on a project basis have been effectively disclosed by project in the oil and gas sector. In its response to the draft Validation report, the MSG noted that the discrepancies in the hydrocarbon sector were mainly due to revenues from the compensation of the sale of the state shares and the settlement of arrears, which was done in aggregate and couldn't be reported by project. Revenues from regular sales, including revenues in kind before and after the swap, are disaggregated by project. In the mining sector, 89% of the revenues levied by project have been disclosed, mainly due to reporting gaps from the DGI and the DGTCP. Despite not fully achieving the technical aspect of the project-level of disaggregation, several stakeholders considered the broader objective of the requirement, enabling the public to assess the extent to which the government can monitor its revenue receipts as defined by its legal and fiscal framework, had been met. It is the view of the International Secretariat that given the minor but real discrepancies in reporting by project for both sectors, the final assessment of this requirement should be "mostly met".</p>
Data timeliness (Requirement #4.8) <i>Fully met</i>	<p>The Secretariat's assessment is that Requirement 4.8 is fully met, as in the previous Validation. Most stakeholders consulted considered that the objective of timely EITI disclosures to inform policy making and public debate had been fulfilled. The Secretariat concurs but highlights the scope for further improvements in the timeliness of EITI disclosures by increasingly building on new systematic disclosures by the government. The MSG has consistently approved the period for reporting and adopted cash-based accounting for EITI disclosures, and the 2019 EITI Report was published in December 2021. The 2020 EITI Report has been published in December 2022.</p>
Data quality and assurance (Requirement #4.9) <i>Fully met</i>	<p>The Secretariat's assessment is that Côte d'Ivoire has fully met Requirement 4.9, as in the previous Validation. There is no evidence of back-sliding since the previous Validation, in which Requirement 4.9 was assessed as "satisfactory progress". Most MSG members consulted expressed satisfaction at the reliability of financial data disclosed in Côte d'Ivoire EITI Reporting. Consulted stakeholders' opinions were split over whether the EITI was contributing to strengthening routine government and company audit and assurance systems and practices, with some stakeholders considering that the EITI recommendations were more focused on the process of EITI Reporting rather than broader audit and assurance practices. It was also noted that the data reported through EITI benefited from a greater credibility due to the work of an independent consultant for the production of the Reports. Five (5) companies did not provide the agreed quality assurances for their reporting template (8% of the total revenues), and one agency, the DGMG, (2.8% of the revenues collected) was not fully certified by the IGE. Although the public sector audit reports from</p>

	<p>the General Inspectorate (“Inspection Générale de l’Etat”) are not yet made public, the 2019 EITI Report contains the IA’s assessment of the comprehensiveness and reliability of the reconciled financial data. The 2019 EITI Report provides a review of audit and assurance procedures and practices in both government revenue-collecting entities and material extractive companies, and sets out the methodology and results of the reconciliation. The EITI Report includes the IA’s clear assessment in line with its carrying out the agreed upon procedures. There is scope for Côte d’Ivoire to expand its use of EITI Reporting as a regular diagnostic of government revenue collecting systems and controls as well as extractive companies’ practices, with a view to formulating recommendations for broader reforms in government and company audit and assurance policies and practices.</p>
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New corrective actions and recommendations

- To strengthen implementation of Requirement 4.1, Côte d’Ivoire EITI could consider improving the publicity of the audited financial statements from extractive companies engaged in the sector. Côte d’Ivoire is also encouraged to pursue its efforts to improve information systems of government agencies, such as the DGMG.
- In accordance with Requirement 4.3, Cote d’Ivoire EITI should pursue its efforts to establish a comprehensive public overview of the natural gas for electricity transactions, for instance by disclosing the quantity of gas transferred for electricity production and the quantity of electricity sold to the government entities.
- In accordance with Requirement 4.7, Côte d’Ivoire is required to pursue its outreach efforts towards extractive companies and government agencies to comprehensively disclose extractive revenues at a project level when applicable.
- To strengthen implementation of Requirement 4.8, Côte d’Ivoire is encouraged to pursue efforts to further improve the timeliness of its EITI reporting, including through innovative ways of building on the government’s systematic disclosures of data required by the EITI Standard.
- To strengthen implementation of Requirement 4.9, Côte d’Ivoire is encouraged to make public the reports from the certifying agency, IGE.

Revenue management (Requirements 5.1, 5.3)

Overview of progress in the module

Cote d’Ivoire has continued to use its annual EITI disclosures to improve transparency in the management of extractive revenues not recorded in the national budget. The 2019 EITI Report identifies seven types of petroleum revenues that were not recorded in the national budget in 2019. The EITI disclosures quantify each type of extractive revenue that was managed off-budget in 2019 and provides an explanation of the management of these funds, although the report is transparent about the lack of publicly accessible government financial reports on the management of some of these revenues. There is scope for Côte d’Ivoire to leverage its EITI implementation to strengthen government systematic disclosures of petroleum revenues

managed off-budget, in particular the contribution to training and equipment of the DGH arising from the oil and sector.

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	Summary of progress in addressing the EITI Requirement
<p>Distribution of extractive industry revenues (Requirement #5.1)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Côte d'Ivoire has mostly met the objective of Requirement 5.1, as in the previous Validation.</p> <p>The 2019 EITI Report presents several cases of deviation from the single treasury account which starts with the revenues of PETROCI Holding as well as the uncollected revenue from the sales of State production shares in oil contracts which are recorded in PETROCI-Holding's current assets among "other receivables". Although those payments flows do not follow the budget process, they are linked with the financial statements of the PETROCI Holding and are regularly audited on an annual basis, the performance of the SOE is also monitored through the report published annually on the MBPE website. After extensive consultation with stakeholders, and in line with the previous Validation, contributions to the community development funds CDLM established by Ordinance No. 2014/148 and set at 0.5% of mining companies revenues are categorised as social expenditures (see <i>requirement 6.1</i>). Regarding environment rehabilitation payments to cover the costs related to the environmental rehabilitation plan at the end of the operation, payments are made into an escrow account opened in a financial institution co-managed by the operator and the government. The regulations do not provide for an obligation to publish reports on the management of the account. Finally, information with regards to quasi fiscal expenditures (see 6.2) are yet to be improved in order to allow a better understanding of the transactions and the amounts off-budget related.</p> <p>Finally, the report describes mandatory payments to the DGH in line with the terms of the PSCs, for the purposes of training and purchases of equipment by the DGH (1.14% of total revenues). It confirms that these contributions to DGH were included in the scope of reconciliation (p.27). The results of reconciliation are presented in the 2019 EITI Report as well as an explanation of discrepancies. However, there was no consensus over the nature of contributions to the DGH for training and equipment during stakeholder consultations, in particular if these payments were paid directly to the DGH or rather social payments for the purpose of capacity-building. The regulation does not currently provide for an obligation to publish reports on the management of these funds by the DGH. In its response to the draft Validation report, the MSG highlighted a letter from the DGH in March 2023, disclosing social expenditures made by the government agency, and flagging the ongoing publication of financial report for these expenditures for the years 2019, 2020 and 2021. However, the letter does not address the matter of the status and management of the contribution to training and equipment made by oil companies to the DGH.</p>

	<p>The EITI Report lists two active earmarked revenues in 2019: 15% of the taxes and royalties collected from the mining sector are allocated to the Ministry in charge of Mines for its operation and equipment, the compilation of geological data, the continuous training of staff. The second one is the Special Fund for Mining Promotion intended to finance the compilation of geological and mining data, cartography and general prospecting. These payment flows are disaggregated in the EITI Report by receiving entity, revenue flows and companies.</p>
<p>Revenue management and expenditures (Requirement #5.3) <i>Not assessed</i></p>	<p>Côte d'Ivoire has addressed some aspects of this requirement, primarily through EITI Reporting. However, while the MSG has provided some information on revenue management and expenditures, it has not addressed aspects of the requirement related to ensuring accountability in management of earmarked revenues, budget assumptions and projections. The public sector audit reports from the Cour des Comptes are publicly accessible¹⁷ for the period under review. It cannot yet be found that Côte d'Ivoire has fully met all technical aspects and the overall objective of this requirement. Thus, the Secretariat's assessment is that the requirement's objective has not yet been achieved, and that Requirement 5.3 should remain as not assessed in order not to penalise Côte d'Ivoire for gaps in progress towards an aspect of the EITI Standard that is only encouraged.</p>

New corrective actions and recommendations

- In accordance with Requirement 5.1, Cote d'Ivoire should consider ways of strengthening systematic disclosures by government entities and SOEs of the management of extractive revenues that are not recorded in the national budget and clarify the status of the contribution for training and equipment made to the DGH, with a view to achieving a level of transparency commensurate with that of extractive revenues that are recorded in the national budget. Cote d'Ivoire should also consider improving the comprehensiveness of data reported as part of the-quasi fiscal expenditures (see 6.2 for more details) and make sure that information disclosed allows a better understanding of the off-budget transactions.
- To strengthen implementation of Requirement 5.3, Cote d'Ivoire is encouraged to use its EITI implementation as a means of ensuring timely government disclosures that would further public understanding and debate around issues of revenue sustainability and resource dependence, including 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

The tax system of Côte d'Ivoire institutes the principle of a single Treasury account. Consequently, almost all budgetary revenues are collected in a single account of the Treasury through the government agencies (DGI, DGD...). Sub-national payments are limited to communal taxes,

¹⁷ http://www.courdescomptes.ci/_publications.php

including the contribution on built and unbuilt land, a local tax on economic activity called the “patente” and other non-extractive specific revenues, also collected by the financial authorities through their regional offices and therefore collected in the single account of the treasury. The transfer of these taxes to the communes is not categorized as a subnational transfer according to the EITI standard, as they are not specific to the extractive sector.

The only payment flow that does not go through the treasury account relates to the contribution to the community development fund created by the 2014 Mining Code. Each of these funds are managed jointly by the mining companies and the Local Mining Development Committee designated by a joint order of the Ministry of Mines and the Ministry in charge of territorial administration. These local funds are financed by the mining companies, which are required to pay an annual contribution equivalent to 0.5% of their turnover. With the support from the GIZ, the EITI has concentrated a significant share of its implementation to increase the transparency and accountability tied to these funds, as well as ensuring their operationalisation in each mining locality affected by 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	Summary of progress in addressing the EITI Requirement
Subnational payments (Requirement #4.6) <i>Not applicable</i>	The Secretariat’s assessment is that Requirement 4.6 remains not applicable in the period under review, as in the previous Validation. Stakeholder consultations confirmed that there were no direct subnational payments by extractive companies, consistent with the findings of the 2019 EITI Report
Subnational transfers (Requirement #5.2) <i>Not applicable</i>	The Secretariat’s assessment is that Requirement 5.2 remains not applicable in the period under review, as in the previous Validation. Stakeholder consultations confirmed that there were no subnational transfers, consistent with the findings of the 2019 EITI Report. The 2019 EITI Report describes earmarked funds but clarifies that there are no transfers of extractives revenues to local governments in 2019.
Social and environmental expenditures (Requirement #6.1) <i>Fully met</i>	The Secretariat’s assessment is that Requirement 6.1 is fully met, which represents an improvement since the previous Validation. Consulted stakeholders from industry and civil society considered that the objective of transparency in mandatory social expenditures had been achieved, but that the level of transparency of environmental expenditures could be improved. In the oil and gas sector, there are provisions requiring companies to undertake mandatory social expenditures in certain petroleum production-sharing contracts. Côte d’Ivoire has used its EITI Reporting to disclose information on oil and gas companies’ mandatory and voluntary social expenditures. The 2019 EITI Report details these expenditures, disaggregated by companies and social project. In consultation, the IA explained that it considered that the reporting from the oil and gas companies was comprehensive. While the EITI Report notes that several of

these actors made a direct financial contribution to the DGH in lieu of their mandatory social expenditures, no stakeholders could confirm this information. The 2019 EITI Report additionally disclosed voluntary social expenditures made by CNR International in -kind, and PETROCI CI-11 in cash, including the amount of each expenditure and the beneficiary (see Annex 4 of the EITI Report). In its response to the draft Validation Report, the MSG and the DGH added that the company FOXTROT made direct social expenditures to the department of Jacqueville through an institution called “Conseil pétrole gaz”, dedicated to this area.

In the mining sector, the mandatory social expenditures are now channelled through local development funds called CDLM. Each mining company operating a production license co-operate a fund created in the region they operate in, with a committee named by the Ministry of Mines. The Secretariat's view is that these expenditures are forms of social expenditures managed through funds in which local government representatives held some oversight, but which were not managed through local government budgets. These funds have been at the centre of EITI implementation and have benefited from the support of the GIZ, with several notes and reports¹⁸¹⁹²⁰ produced and dissemination activities conducted in the communities affected. Disbursements made to the nine (9) active CDLM are disclosed and reconciled in the 2019 EITI Report, disaggregated by company and CDLM (p.51). The expenditures occurred are also disclosed in an exemplary open format annex of the EITI Report (annex 22, see transparency template), including the nature and a comprehensive description of each expenditure, the beneficiary, the date, and the amount. Côte d'Ivoire also discloses under open format voluntary social expenditures, in-kind and in cash (see Annex 5 of the 2019 EITI Report), including the name of the beneficiary, the region and the amount for each expenditure.

Regarding environmental contribution, the EITI Report notes two types, due by both oil and gas and mining companies: an antipollution tax called “Inspection tax” (“Taxe d'inspection et de contrôle”), collected by the Antipollution agency of Côte d'Ivoire, CIAPOL. In its response to the draft Validation Report, the MSG confirmed that the Inspection Tax was the only mandatory payment made by extractive companies. This revenue flow has been included in the reconciliation scope, and is treated as a regular revenue flow (see *requirement 4.1 and 4.9*). The second one is a contribution to a rehabilitation fund (see *requirement 6.4*). The Secretariat notes that (10) companies paid the Inspection tax in 2019, for a total of XOF 181 125 820, less than 0,1% of the total revenues. While it remains unclear why only three oil and gas and seven mining companies paid this tax, consultation with the IA confirmed that the disclosures of this revenue flow in the 2019 EITI Report were comprehensive. In addition, the EITI Report highlights the existence of potential environmental payments to government by mining and petroleum companies in its references to the need to submit Environmental Impact Assessments, which implies that some form of government fee exists for processing these impact assessments, but does not clearly describe any such payments to government. According to the comments to the draft Validation report, the MSG confirmed that these assessments are required when oil contracts

¹⁸ http://www.cn-itie.ci/wp-content/uploads/2022/06/Diagnostic-du-contenu-local-dans-le-secteur-minier-ivoirien_GIZ_rapport-final_avril-2022.pdf

¹⁹ <http://www.cn-itie.ci/wp-content/uploads/2022/06/GIZ-contenu-local-diagnostic-EMPLOI-final.xlsx>

²⁰ <http://www.cn-itie.ci/wp-content/uploads/2022/06/GIZ-contenu-local-diagnostic-ACHATS-final.xlsx>

	<p>or mining permits are granted. Despite the award of four petroleum contracts and two mining operating permits, and although the environmental code includes the payment of a tax on the processing of impact studies, extractive companies only pay in practice the fees (“Doits fixes”) listed by the oil and mining codes, which represent the costs of processing the entire file, including the environmental component. According to the MSG, this is explained by the exemptions granted to companies in the sector from taxes and duties not provided for in the sectoral codes, such as Article 76 of the Petroleum Code. For the mining sector, no equivalent exemptions could be found in the mining code.</p>
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New corrective actions and recommendations

- To strengthen implementation of Requirement 6.1, Côte d'Ivoire is encouraged to address the conflict between several legal texts that appear to restrict environmental contributions provided for by laws, regulations or contracts from extractive companies, including the contribution related to the Environmental Impact Studies. To strengthen implementation of Requirement 6.1, Côte d'Ivoire EITI is encouraged to maintain its monitoring of the situation of the CDLM, in particular for the future ones due to the dynamic mining sector in the country. This could include time-series analysis of the data disclosed through EITI Reporting to inform the vibrant public debate on the local contribution of the extractive sector.

Background

Overview of the extractive industries

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

History of EITI implementation

The history of implementation is accessible on the [country page](#) of the EITI website for Côte d'Ivoire.

Explanation of the Validation process

An overview of the Validation process is available on the EITI website.²¹ 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 Chiugo AGHAJI and Nassim BENNANI, while the Validation team was comprised of Ahmed ZOUARI and Hugo PARET. The internal review for quality assurance was conducted by Nassim BENNANI, Gisela GRANADO, Christina BERGER 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.

Timeline of Validation

The Validation of Côte d'Ivoire commenced on 1 October 2022. A [public call for stakeholder views](#) was issued on 1 September 2022. Stakeholder consultations were held virtually in November 2022. The draft Validation report was finalised on 10 February 2023. Following comments from the MSG received on 10 March 2023, the Validation report was finalised for consideration by the EITI Board.

²¹ See <https://eiti.org/Validation>

Resources

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