

# EITI STANDARD 2023

## Part 1: Principles and requirements

## **2023 EITI Standard**

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# **EITI** **STANDARD** 2023

The global standard for the  
good governance of oil, gas  
and mineral resources

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# Foreword



The EITI celebrates both its 20th anniversary in 2023 and the 10th anniversary of the introduction of the EITI Standard. The EITI's mandate to ensure that all citizens benefit from a country's natural resources remains highly relevant in an era of escalating climate crisis. The inclusion, for the first time, of major energy transition-related disclosures in the EITI Standard unlocks its potential as a tool for dialogue and change in a rapidly evolving energy sector.

The transition to clean energy as part of addressing the climate emergency is reshaping the field of natural resources. The combination of the importance of natural resources in many countries, the longstanding challenges of realising their benefits for all citizens, and the energy transition ahead means that good governance of these resources in this era of transition is more important than ever.

Transparent, accessible and quality data continues to be needed by governments, companies, civil society and other stakeholders to inform decision-making about management of natural resources. The EITI Standard places emphasis not only on disclosures – transparency being necessary, but insufficient in itself – but also on participation and accountability. In this respect, safeguarding civic space, which the EITI Standard mandates, is vital.

The role played by the EITI in extractive sector governance is critical as we move forward with the revised EITI Standard. It responds to the evolving natural resources context in two ways.

First, in light of the imperative of demand shifting away from fossil fuels, there are critical new requirements around disclosures on carbon taxes and pricing mechanisms, greenhouse gas emissions, costs of production, reserves and subsidies, among others. Disclosures of revenue forecasts and companies' costs can strengthen public understanding of expected revenues and investment decisions, while data on greenhouse gas emissions may be used to guide policymakers, citizens and investors.

Second, in response to the rise in production of minerals supporting the energy transition, transparency over the terms of transactions and about who benefits from them is vital for good governance and sustained supply.

Also noteworthy are new and strengthened disclosure requirements in key areas such as gender equity, social and environmental monitoring and impact, artisanal and small-scale mining, and community consultations.

Consistent with the mandate of the EITI, important and explicit anti-corruption objectives have been integrated into reporting in this 2023 EITI Standard. Disclosures which are important for identifying conflicts of interest and the participation of politically engaged persons in the extractive sector have been strengthened. The new EITI Standard introduces the expectation that all companies participating in EITI reporting, including state-owned enterprises, should publicly disclose their anti-corruption policies.

Overall, across the various key themes in the EITI Standard, and with the aim of enhancing shared responsibility by all stakeholders in the EITI, this EITI Standard also places responsibility on company reporting – private and public, such as on the new energy transition disclosures.

The 2023 EITI Standard thus responds to the need for a higher and evolving bar for good governance in natural resources. It integrates energy transition into the EITI Standard for the first time, and substantively so. It opens up opportunities for multi-stakeholder groups at the national level to consider the most significant challenges and opportunities in their own context, and to determine their implementation priorities across EITI Requirements. This helps increase the relevance of EITI implementation to countries, and advances open and accountable management of natural resources within a shared responsibility framework across all stakeholders.

A handwritten signature in grey ink that reads "Helen Clark". The signature is written in a cursive, flowing style.

**Rt Hon. Helen Clark**  
Chair of the EITI Board

# Navigating the EITI Standard

This document covers **Part 1** of the EITI Standard (“Principles and requirements”), comprising the following sections:

- **EITI Principles:** The EITI Standard has its origins in the EITI Principles (Section 1), which were agreed by a diverse group of countries, companies and civil society organisations when the EITI was formed in 2003, to increase transparency over payments and revenues in the extractive sector.
- **Becoming an EITI implementing country:** Countries that intend to implement the EITI Standard are required to undertake a number of steps before applying to becoming an EITI implementing country, as outlined in Becoming an EITI implementing country (Section 2).
- **EITI Requirements:** The EITI Standard sets out the EITI Requirements (Section 3) for countries implementing the EITI and oil, gas and mining companies operating in these countries. A national multi-stakeholder group – comprising government, industry and civil society representatives – oversees EITI implementation and sets objectives that reflect national priorities for extractive sector management.
- **Expectations for EITI supporting companies:** Oil, gas and mining companies uphold the EITI Standard by reporting in EITI implementing countries where they operate, and by actively engaging in the EITI process in implementing countries through their participation in multi-stakeholder groups. EITI supporting companies further support EITI implementation by meeting the Expectations for EITI supporting companies (Section 4).
- **Protocol: Participation of civil society:** The participation of civil society is fundamental to achieving the objectives of the EITI. The Protocol: Participation of civil society (Section 5) sets out provisions on ensuring the full, active and effective engagement of civil society in EITI implementation.
- **EITI Association Code of Conduct:** Stakeholders are required to observe the highest standards of integrity and ethical conduct and to act with honesty and propriety, in line with the EITI Association Code of Conduct (Section 6). This applies to all EITI Office Holders, including Members of the EITI Association, EITI Board members, their alternates, secretariat staff (national and international) and members of multi-stakeholder groups.
- **Open data policy:** Open data lies at the core of the EITI’s mission to promote the open and accountable management of natural resources. By making data easily accessible, comprehensible and usable, EITI reporting can strengthen public debate, inform decision-making and promote public understanding of natural resource management. These objectives are underpinned by the EITI’s Open data policy (Section 7).

**Part 2** of the EITI Standard (“EITI Board oversight and Validation”) outlines the procedures and criteria that determine how the international EITI Board oversees and assesses implementation of the EITI Standard. **Part 3** (“EITI governance and management”) addresses how the EITI Association is governed.

The EITI website ([www.eiti.org](http://www.eiti.org)) can be used to access the EITI Standard in full, along with guidance on implementing various aspects of the EITI.



## SECTION 1

# EITI Principles

**This section lays out the general aims and commitments by all stakeholders, which were agreed when the EITI was established in 2003.**

What is now known as the EITI evolved from the first statement of the EITI Principles agreed at the Lancaster House Conference in June 2003. Today, the EITI Standard contains these and all the requirements for implementing the EITI. These beliefs and aims are endorsed by all EITI stakeholders.

The EITI Principles provide the cornerstone of the initiative. They are:

1. We share a belief that the prudent use of natural resource wealth should be an important engine for sustainable economic growth that contributes to sustainable development and poverty reduction, but if not managed properly, can create negative economic and social impacts.
2. We affirm that management of natural resource wealth for the benefit of a country's citizens is in the domain of sovereign governments to be exercised in the interest of their national development.
3. We recognise that the benefits of resource extraction occur as revenue streams over many years and can be highly price dependent.
4. We recognise that a public understanding of government revenues and expenditure over time could help public debate and inform choice of appropriate and realistic options for sustainable development.
5. We underline the importance of transparency by governments and companies in the extractive industries and the need to enhance public financial management and accountability.
6. We recognise that achievement of greater transparency must be set in the context of respect for contracts and laws.
7. We recognise the enhanced environment for domestic and foreign direct investment that financial transparency may bring.
8. We believe in the principle and practice of accountability by government to all citizens for the stewardship of revenue streams and public expenditure.
9. We are committed to encouraging high standards of transparency and accountability in public life, in government operations and in business.
10. We believe that a broadly consistent and workable approach to the disclosure of payments and revenues is required, which is simple to undertake and to use.
11. We believe that disclosure of payments in a given country should involve all extractive industry companies operating in that country.
12. In seeking solutions, we believe that all stakeholders have important and relevant contributions to make – including governments and their agencies, extractive industry companies, service companies, multilateral organisations, financial organisations, investors and non-governmental organisations.

## SECTION 2

# Becoming an EITI implementing country

**This section sets out the process for countries seeking to apply to become an EITI implementing country.**

A country intending to implement the EITI is required to undertake a number of sign-up steps before applying to become an EITI country. These steps relate to government commitment (Requirement 1.1), company engagement (Requirement 1.2), civil society engagement (Requirement 1.3), the establishment of a multi-stakeholder group (Requirement 1.4) and agreement on an EITI work plan and monitoring cycle (Requirement 1.5). When the country has completed these steps and wishes to be recognised as an EITI implementing country, the government should submit an EITI application to the EITI Board (see below).

Countries preparing to join the EITI are encouraged to identify potential barriers to systematic disclosures from the outset, for instance by conducting a systematic disclosure feasibility study or addressing opportunities for systematic disclosures as part of their preparations for becoming an EITI implementing country.

## How to become an EITI implementing country

When the country has completed the sign-up steps and wishes to be recognised as an EITI implementing country, the government should submit an EITI application, endorsed by the EITI multi-stakeholder group.<sup>1</sup> The application should describe the activities undertaken to date and provide evidence demonstrating that each of the sign-up steps have been completed. The application should include contact details for government, civil society and private sector stakeholders involved in the EITI.

Once submitted, the application will be made publicly available on the EITI website. The EITI Board will review the application and assess whether the sign-up steps have been completed. The EITI International Secretariat will work closely with the senior individual appointed by the government to lead on EITI implementation in order to clarify any outstanding issues. Based on this and any other available information, the EITI Board's Outreach and Candidature Committee will make a recommendation, within a reasonable time period, to the EITI Board on whether a country's application should be accepted. The EITI Board will make the final decision.

The EITI Board aims to process applications within eight weeks of receiving the application. The EITI Board prefers to make decisions on admitting a country during EITI Board meetings, although it may consider taking a decision via Board circular between meetings where appropriate.

When the EITI Board admits an EITI implementing country, it will also establish deadlines for publishing the first EITI Report and undertaking Validation. An implementing country's first EITI disclosures must be made available within 18 months from the date that the country was admitted. Validation will commence within two and a half years of becoming an EITI implementing country. Further information on reporting and Validation deadlines (including the scope for extensions of these deadlines) is outlined in "EITI Board oversight" in Part 2 of the EITI Standard.

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<sup>1</sup> A standard application form is available from the EITI International Secretariat.

## SECTION 3

# EITI Requirements

**This section sets out the requirements that must be adhered to by countries implementing the EITI and by extractive companies operating in them.**

The 2023 EITI Standard introduces requirements aiming to increase public understanding about the impact of the energy transition on the oil, gas and mining sectors and to inform policymaking. It strengthens requirements that seek to address corruption risks, improve revenue collection and promote gender equity.

Multi-stakeholder groups play a key role in ensuring that EITI implementation addresses the most significant extractive sector governance challenges in each EITI implementing country. The EITI Requirements are minimum requirements and implementing countries are encouraged to go beyond them where stakeholders agree that this is appropriate. Stakeholders are encouraged to consult additional guidance on implementing the EITI Requirements, available at [eiti.org/guide](https://eiti.org/guide).

## Terminology

### Mandatory requirements

The terms “**required**” and “**must**” in the EITI Standard indicate that the requirement is mandatory and will be taken into account in the assessment of progress in meeting the EITI Standard.

### Expected requirements

The term “**expected**” in the EITI Standard indicates that the multi-stakeholder group should consider the issue and document its discussions, the rationale for disclosure/non-disclosure and any barriers to disclosure. Validation will consider and document the discussions by the multi-stakeholder group.

### Encouraged requirements

The terms “**encouraged**” and “**could**” in the EITI Standard indicate that the requirement is optional. Efforts by the multi-stakeholder group will be documented in Validation but will not be taken into account in the overall assessment of progress in meeting the EITI Standard.

### Systematic disclosure

The term “**systematic disclosure**” means routine, timely and publicly accessible disclosures of information through government and company websites, official journals or publications. Systematically disclosed data is published by the entity that has responsibility of the data, through mandated government and company platforms (“at source”). This could include registers of licenses, contracts, companies and ultimate beneficial owners; public financial reporting; annual financial reports; and open data portals. Systematic disclosure is the default expectation, with EITI Reports used to provide additional context; collate the sources where systematic disclosures can be found; and address any gaps and concerns about data quality. EITI disclosure requirements can be met by referencing publicly available information and/or data collected as part of EITI implementation.

## REQUIREMENT 1

### Oversight by the multi-stakeholder group

**The EITI requires effective multi-stakeholder oversight, including a functioning multi-stakeholder group that involves the full, active and effective engagement of government, companies and civil society.**

#### 1.1 Government engagement

*The objective of this requirement is to ensure a full, active and effective government lead for EITI implementation, through both high-level political leadership and operational engagement, as a means of facilitating all aspects of EITI implementation.*

- a) The government is required to issue an unequivocal public statement of its intention to implement the EITI. The statement must be made by the head of state or government, or an appropriately delegated government representative.
- b) The government is required to appoint a senior individual to lead the implementation of the EITI. The appointee must have the confidence of all stakeholders, the authority and freedom to coordinate action on the EITI across relevant ministries and agencies, and be able to mobilise resources for EITI implementation.
- c) The government must be fully, actively and effectively engaged in the EITI process.
- d) The government must ensure that senior government officials are represented on the multi-stakeholder group.

#### 1.2 Company engagement

*The objective of this requirement is to ensure that extractive companies are fully, actively and effectively engaged in the EITI, both in terms of disclosures and participation in the work of the multi-stakeholder group, and that the government ensures an enabling environment for this. The requirement aims to ensure that reporting companies engaged in the EITI are aligning their practices with principles of good governance as outlined in the Expectations for EITI supporting companies.<sup>2</sup>*

- a) Companies must be fully, actively and effectively engaged in the EITI process.
- b) Reporting companies are expected to publish an anti-corruption policy setting out how the company manages corruption risk, including their use of beneficial ownership data. In addition, companies on the multi-stakeholder group are expected to engage in rigorous due diligence processes.

Other reporting companies are also encouraged to engage in rigorous due diligence processes.

- c) The government is required to ensure that there is an enabling environment for company participation with regard to relevant laws, regulations and administrative rules as well as actual practice in implementation of the EITI. The fundamental rights of company representatives substantively engaged in the EITI, including but not limited to members of the multi-stakeholder group, must be respected.

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<sup>2</sup> See the Expectations for EITI supporting companies (Section 4 of Part 1 of the EITI Standard).

- d) The government is required to ensure that there are no obstacles to company participation in the EITI process.

### 1.3 Civil society engagement

*The objective of this requirement is to ensure that civil society is fully, actively and effectively engaged in the EITI process, and that there is an enabling environment for this. The active participation of civil society in the EITI process is key to ensuring that the transparency created by the EITI can lead to greater accountability and improved governance of oil, gas and mineral resources. The provisions related to civil society engagement seek to establish the conditions that permit this to occur over time.*

In accordance with the Protocol: Participation of civil society:<sup>3</sup>

- a) Civil society must be fully, actively and effectively engaged in the EITI process.
- b) The government is required to ensure that there is an enabling environment for civil society participation with regard to relevant laws, regulations and administrative rules as well as actual practice in implementation of the EITI. The fundamental rights of civil society substantively engaged in the EITI, including but not limited to members of the multi-stakeholder group, must be respected.
- c) The government is required to ensure that there are no obstacles to civil society participation in the EITI process.
- d) The government must refrain from actions which result in narrowing or restricting public debate in relation to implementation of the EITI.
- e) Stakeholders, including but not limited to members of the multi-stakeholder group, must:
  - i. Be able to speak freely on transparency and natural resource governance issues.
  - ii. Be substantially engaged in the design, implementation, monitoring and evaluation of the EITI process, and ensure that it contributes to public debate.
  - iii. Have the right to communicate and cooperate with each other.
  - iv. Be able to operate freely and express opinions about the EITI without restraint, coercion or reprisal.
- f) The multi-stakeholder group is expected to monitor adherence to the Protocol: Participation of civil society and document its discussions related to any shortcomings identified, as well as activities undertaken to address them.

### 1.4 Multi-stakeholder group

*The objective of this requirement is to ensure that there is an independent multi-stakeholder group that can exercise active and meaningful oversight of all aspects of EITI implementation in a way that balances the interests of the three main constituencies (government, industry and civil society) and that it arrives at decisions in a consensual manner. As a precondition for achieving this objective, the multi-stakeholder group must include adequate representation of key stakeholders appointed on the basis of open, fair and transparent constituency procedures; make decisions in an inclusive manner; and report to wider constituencies.*

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<sup>3</sup> See the Protocol: Participation of civil society (Section 5 of Part 1 of the EITI Standard).

- a) The government is required to commit to work with civil society and companies, and establish a multi-stakeholder group to oversee EITI implementation. In establishing the multi-stakeholder group, the government must:
  - i. Ensure that the invitation to participate in the multi-stakeholder group is open and transparent.
  - ii. Ensure that stakeholders are adequately represented. This does not mean that they need to be equally represented numerically. The multi-stakeholder group must comprise appropriate stakeholders, including but not necessarily limited to the private sector; civil society, including independent civil society groups and other civil society such as the media and unions; and relevant government entities, which can also include parliamentarians. Each stakeholder group must have the right to appoint its own representatives, taking into account pluralistic and diverse representation. The nomination process must be independent and free from any suggestion of coercion. Civil society groups involved in the EITI as members of the multi-stakeholder group must be independent of government and/or companies, both operationally and in policy terms. The multi-stakeholder group and each constituency must consider gender balance in their representation to progress towards gender parity.
  - iii. Consider establishing the legal basis of the group.
- b) The multi-stakeholder group is required to agree clear public Terms of Reference (ToRs) for its work. The ToRs must, at a minimum, include provisions on:

**The role, responsibilities and rights of the multi-stakeholder group:**

- i. Members of the multi-stakeholder group must have the capacity to carry out their duties.
- ii. The multi-stakeholder group is required to undertake effective outreach activities with civil society groups and companies – including through communication such as media, websites and letters – to inform stakeholders of the government’s commitment to implement the EITI, and the central role of companies and civil society. The multi-stakeholder group must also widely disseminate public information that results from the EITI process.
- iii. Members of the multi-stakeholder group are required to liaise with their constituency groups.
- iv. Members of the multi-stakeholder group are expected to abide by the EITI Association Code of Conduct.

**Approval of work plans and oversight of implementation:**

- v. The multi-stakeholder group is required to approve annual work plans in accordance with Requirement 1.5.
- vi. The multi-stakeholder group is required to oversee the EITI reporting process and engage in Validation.
- vii. The multi-stakeholder group is required to consider issues linked to the governance of the extractive industries, including complementary activities related to anti-corruption; energy transition reforms; gender equity; and artisanal and small-scale mining (where applicable).

### Internal governance rules and procedures:

- viii. The EITI decision-making process must be inclusive throughout EITI implementation, with each constituency being treated as a partner. Any member of the multi-stakeholder group has the right to table an issue for discussion. The multi-stakeholder group is required to agree and publish its procedures for nominating and changing multi-stakeholder group representatives; decision-making; the duration of the mandate; and the frequency of meetings. This includes ensuring that there is a process for changing group members that respects the principles set out in Requirement 1.4(a). Where the multi-stakeholder group has a practice of per diems for attending EITI meetings, or other payments to its members, this practice must be transparent and should not create conflicts of interest.
- ix. There must be sufficient advance notice of meetings and timely circulation of documents prior to their debate and proposed adoption.
- x. The multi-stakeholder group must keep and publish written records of its discussions and decisions.

### 1.5 Work plan, monitoring and review

*The objective of this requirement is to establish a consultative work planning and monitoring cycle that ensures the relevance and accountability of EITI implementation to national stakeholders, helping the EITI to achieve relevant outcomes and impacts.*

- a) The multi-stakeholder group is required to maintain a work plan for implementation. The work plan must address the most relevant themes for natural resource governance in line with national priorities. The work plan must include:
  - i. EITI implementation objectives that reflect national priorities, including issues related to corruption; gender equity; energy transition; revenue collection; artisanal and small-scale mining (where applicable); and other key extractive sector governance issues, as well as consultations with key stakeholders.
  - ii. Measurable and time-bound activities to achieve the agreed objectives and recommendations from Validation and reporting.
  - iii. Justification of which EITI Requirements are prioritised, and a description of which activities in the work plan contribute to fulfilling each requirement.
  - iv. A fully costed budget that identifies sources of funding.
- b) The multi-stakeholder group is required to undertake an annual progress review of the work plan, which should inform the subsequent work plan. The progress review must include:
  - i. Progress and challenges in achieving work plan objectives; changes in those objectives; and how implementation will be adapted to better achieve those objectives.
  - ii. An overview of activities and outcomes achieved through EITI implementation.
  - iii. A description of the mechanisms for stakeholders to provide feedback on EITI implementation, as well as documentation of stakeholder views.

- iv. Documentation on how the multi-stakeholder group has taken gender considerations and inclusiveness into account.
- v. A report on actual expenses compared to the work plan budget.
- c) All work planning, monitoring and review activities must be informed by consultations with national stakeholders, and documented in formats that are publicly available.
- d) The multi-stakeholder group is encouraged to consider how to measure progress of the activities on a running basis, including an evaluation of whether their activities for the previous year contributed to improved governance of the extractive sector.
- e) Where relevant, the multi-stakeholder group is encouraged to provide a narrative of whether it has considered publicly known corruption cases in the sector that are of national relevance for the year in review, and to document its discussion, response and recommendations.



## REQUIREMENT 2

### Legal and institutional framework, contracts and licenses

The EITI requires disclosures on how the extractive sector is managed, enabling stakeholders to understand the laws and procedures for the award of exploration and production rights; the legal, regulatory and contractual frameworks that apply to the extractive sector; and the institutional responsibilities of the state in managing the sector.

#### 2.1 Legal framework and fiscal regime

*The objective of this requirement is to ensure public understanding of all aspects of the regulatory framework for the extractive industries, including the legal framework; fiscal regime; roles of government entities and reforms; as well as laws and regulations related to addressing corruption risks in the extractive sector.*

- a) Implementing countries are required to disclose a description of the legal framework and fiscal regime governing the extractive industries. This information must include a summary description of the fiscal regime, including the level of fiscal devolution; an overview of the relevant laws and regulations, including laws related to preventing corruption in the extractive sector; a description of the different types of contracts and licenses that govern the exploration and exploitation of oil, gas and minerals; and information on the roles and responsibilities of the relevant government agencies.
- b) Implementing countries are required to disclose an overview of national energy transition commitments, policies and plans that are relevant to the extractive industries.
- c) Implementing countries are encouraged to disclose a summary description of carbon pricing mechanisms or carbon taxes that are material to the extractive industries.
- d) Implementing countries are encouraged to disclose public subsidies and other forms of state support that are material to the extractive industries, as well as any related ongoing reforms. This could include producer subsidies as well as pre-tax and post-tax consumer subsidies, in accordance with guidance from the Global Subsidies Initiative. Subsidies that are defined as quasi-fiscal expenditures by a state-owned enterprise (SOE) must be disclosed in accordance with Requirement 6.2.
- e) Where the government is undertaking reforms including with respect to national energy transition commitments, policies and plans, the multi-stakeholder group is encouraged to document them.
- f) Where applicable, implementing countries are encouraged to disclose policies related to the artisanal and small-scale mining sector, as well as information on planned or ongoing reforms.

#### 2.2 Contract and license allocations

*The objective of this requirement is to provide a public overview of awards and transfers of oil, gas and mining licenses; the statutory procedures for license awards and transfers; and whether these procedures are followed in practice. This can allow stakeholders to identify and address possible weaknesses in the license allocation process, including those that make these processes vulnerable to corruption.*

- a) Implementing countries are required to disclose information related to all contract and license awards and transfers taking place during the accounting period covered by the most recent EITI disclosures, including for companies whose payments fall below the agreed materiality threshold. This must include:
- i. A description of the process for transferring or awarding the license.
  - ii. The technical and financial criteria used, including any requirements related to free, prior and informed consent. Where the process for awarding or transferring a license mandates consultations with impacted communities, implementing countries and companies are expected to disclose a description of how the consultation process was conducted. This could include the number of people consulted, disaggregated by gender, and a summary of how views on the project's impacts were collected and considered.
  - iii. Information about the recipient(s) of the license that has been transferred or awarded, including consortium members (where applicable).
  - iv. Any material deviations from the applicable legal and regulatory framework governing license transfers and awards, including an explanation of the methodology adopted for the assessment.

In cases where governments can select different methods for awarding a contract or license (e.g. competitive bidding or direct negotiations), the multi-stakeholder group is encouraged to include an explanation of the rules that determine which procedure should be used and why a particular procedure was selected. This includes instances where governments use expedited or "fast-tracked" awards or transfer processes. The multi-stakeholder group must clearly document the rationale for this choice; the award or transfer processes to which these processes applied; the procedures and criteria used; the institutions involved; and the outcomes of the award and transfer processes.

Where there are gaps in the publicly available information, these must be clearly identified. Any significant legal or practical barriers preventing comprehensive disclosure of the information set out above must be documented and explained, including an account of government plans to overcome such barriers and the anticipated timescale for achieving them.

- b) Where companies hold licenses that were allocated prior to the period covered by EITI implementation, implementing countries are encouraged to disclose the information set out in Requirement 2.2(a).
- c) Where licenses are awarded through a bidding process, the government is required to disclose the list of applicants, including their beneficial owners in accordance with Requirement 2.5, and the bid criteria.
- d) The multi-stakeholder group is encouraged to include additional information on the allocation of licenses as part of EITI disclosures. This could include commentary on the efficiency and effectiveness of licensing procedures; a description of procedures, actual practices and grounds for renewing, suspending or revoking a contract or license; and information regarding changes in majority ownership of license holding companies.

## 2.3 Register of licenses

*The objective of this requirement is to ensure the public accessibility of comprehensive information on property rights related to extractive deposits and projects.*

- TERMINOLOGY**
- a) The term “license” in this context refers to any license, lease, title, permit, contract or concession by which the government confers on a company(ies) or individual(s) rights to explore or exploit oil, gas and/or mineral resources.
- b) Implementing countries are required to maintain a publicly available register or cadastre system(s) with the following timely and comprehensive information regarding each of the licenses pertaining to companies within the agreed scope of EITI implementation:
- i. License holder(s).
  - ii. Coordinates of the license area, where collated. Where coordinates are not collated, the government is required to ensure that the size and location of the license area are disclosed in the license register and that the coordinates are publicly available from the relevant government agency without unreasonable fees and restrictions. The disclosures must include guidance on how to access the coordinates and the cost, if any, of accessing the data. The government must also document plans and timelines for making this information freely and electronically available through the license register.
  - iii. Date of application, date of award and duration of the license.
  - iv. In the case of production licenses, the commodity being produced.
- It is expected that the license register or cadastre includes information about licenses held by all entities, including companies and individuals or groups that are outside the agreed scope of EITI implementation (i.e. where their payments fall below the agreed materiality threshold). Any significant legal or practical barriers preventing such comprehensive disclosure must be documented and explained, including an account of government plans for seeking to overcome such barriers and the anticipated timescale for achieving them.
- c) Where such registers or cadastres do not exist or are incomplete, the multi-stakeholder group must disclose any gaps in the publicly available information and document efforts to strengthen these systems.
- d) Implementing countries are encouraged to link publicly available license registers to other government platforms that disclose or hold information in accordance with Requirement 2.5 on the legal and beneficial owners of oil, gas and mining companies.

## 2.4 Contracts and licenses

*The objective of this requirement is to ensure the public accessibility of all licenses and contracts underpinning extractive activities (at least from 2021 onwards) as a basis for the public's understanding of the contractual rights and obligations of companies operating in the country's extractive industries. The requirement further aims to ensure that contract disclosure is contributing to stakeholders' ability to monitor compliance with contractual obligations.*

- a) Implementing countries are required to disclose any contracts and licenses that are granted, entered into or amended from 1 January 2021.

Implementing countries are encouraged to publicly disclose any contracts and licenses that provide the terms attached to the exploitation of oil, gas and minerals, as well as material exploration contracts.

- b) The multi-stakeholder group is expected to agree and publish a plan for disclosing contracts with a clear time frame for implementation and addressing any barriers to comprehensive disclosure. This plan will be integrated into work plans covering 2020 onwards.

- c) The multi-stakeholder group is required to document the government's policy on disclosure of contracts and licenses that govern the exploration and exploitation of oil, gas and minerals. This must include:

- i. A description of whether legislation or government policy addresses the issue of disclosure of contracts and licenses, including whether it requires or prohibits disclosure of contracts and licenses. If there is no existing legislation, an explanation of where the government policy is embodied must be included, and the multi-stakeholder group must document its discussion on what constitutes government policy on contract disclosures. Any reforms relevant to the disclosure of contracts and licenses planned or underway must be documented.
- ii. An overview of which contracts and licenses are publicly available. Implementing countries must provide a list of all active production and exploration contracts and licenses, indicating which are publicly available and which are not. For all published contracts and licenses, the overview must include a reference or link to the location where the contract or license is published. If a contract or license is not published, the legal or practical barriers must be documented and explained.
- iii. Where disclosure practice deviates from legislative or government policy requirements concerning the disclosure of contracts and licenses, the multi-stakeholder group must provide an explanation for the deviation.

### TERMINOLOGY

- d) The term "contract" in Requirement 2.4(a) means:

- i. The full text of any contract, concession, production-sharing agreement or other agreement granted by, or entered into by, the government which provides the terms attached to the exploitation of oil, gas and mineral resources.

The multi-stakeholder group must determine which exploration contracts to disclose based on materiality and practicality.

**TERMINOLOGY**  
(continued)

- ii. The full text of any annexe, addendum or rider which establishes details relevant to the exploitation rights, and any material exploration rights, described in Requirement 2.4(d)(i) or the execution thereof.

The multi-stakeholder group must agree and document what should be considered an annexe, addendum or rider, taking into account demand from national stakeholders and the country context.

- iii. The full text of any alteration or amendment to the documents described in Requirements 2.4(d)(i) and 2.4(d)(ii).

- e) The term “license” in Requirement 2.4(a) means:

- i. The full text of any license, lease, title or permit by which a government confers on a company(ies) or individual(s) rights to exploit oil, gas and/or mineral resources.

The multi-stakeholder group must determine which exploration license to disclose based on materiality and practicality.

- ii. The full text of any annexe, addendum or rider that establishes details relevant to the exploitation rights, and any material exploration rights, described in Requirement 2.4(e)(i) or the execution thereof.

The multi-stakeholder group must agree and document what should be considered an annexe, addendum or rider, taking into account demand from national stakeholders and the country context.

- iii. The full text of any alteration or amendment to the documents described in Requirements 2.4(e)(i) and 2.4(e)(ii).

## 2.5 Beneficial ownership

*The objective of this requirement is to enable the public to know who ultimately owns and controls the companies operating in the country's extractive industries, particularly those identified by the multi-stakeholder group as high-risk, to help deter improper and corrupt practices in the management of extractive resources and to help monitor the ownership of politically exposed persons.*

- a) Implementing countries are encouraged maintain a publicly available register of the beneficial owners of the corporate entity(ies) that apply for or hold a participating interest in an exploration or production oil, gas or mining license or contract, including the identity(ies) of their beneficial owner(s); the level of ownership; and details about how ownership or control is exerted. Where possible, implementing countries are encouraged to incorporate beneficial ownership information in existing filings by companies to corporate regulators, stock exchanges or agencies regulating extractive industry licensing. Where this information is already publicly available, the EITI Report must include guidance on how to access this information.
- b) The multi-stakeholder group is required to document the government's policy and its discussion on beneficial ownership disclosure. This must include details on the relevant legal provisions; actual disclosure practices; and any reforms that are planned or underway related to beneficial ownership disclosure.

- c) Implementing countries are required to request, and companies are required to publicly disclose, beneficial ownership information. This applies to corporate entity(ies) that apply for or hold a participating interest in an exploration or production oil, gas or mining license or contract and must include the identity(ies) of their beneficial owner(s); the level of ownership; and details about how ownership or control is exerted. The multi-stakeholder group must disclose any significant gaps or weaknesses in reporting on beneficial ownership information, including any entities that failed to submit all or some beneficial ownership information.
- d) Information about the identity of the beneficial owner must include the name of the beneficial owner, their nationality, and their country of residence, as well as identifying any politically exposed persons.

Implementing countries are also encouraged to disclose beneficial owners' national identity number, date of birth, residential or service address, and contact information.

- e) The multi-stakeholder group must assess any existing mechanisms for assuring the reliability of beneficial ownership information and agree an approach for corporate entities within the scope of Requirement 2.5(c) to assure the accuracy of the beneficial ownership information they provide. This could include requiring companies to attest the beneficial ownership declaration form through sign-off by a member of the senior management team or senior legal counsel, or to submit supporting documentation.

#### TERMINOLOGY

- f) Definition of beneficial ownership:
  - i. The term “beneficial owner” in respect of a company means the natural person(s) who directly or indirectly ultimately owns or controls the corporate entity.
  - ii. The multi-stakeholder group must agree an appropriate definition of the term “beneficial owner”. The definition must be aligned with Requirement 2.5(f)(i) and take international norms and relevant national laws into account. The definition must also include ownership threshold(s), which should be informed by the country context and the type and level of risk that the country aims to address.

Implementing countries are encouraged to adopt an ownership threshold of 10% or lower for beneficial ownership reporting.

The definition must also specify reporting obligations for politically exposed persons (PEPs). Implementing countries are required to request full disclosure of PEP's beneficial ownership regardless of their level of ownership.

- iii. Publicly listed companies, including wholly-owned subsidiaries, are required to disclose the name of the stock exchange and include a link to the stock exchange filings where they are listed to facilitate public access to their beneficial ownership information.

The multi-stakeholder group is encouraged to review the comprehensiveness and reliability of ownership information disclosed in the stock exchange filings.

- iv. In the case of joint ventures, each entity within the venture must disclose its beneficial owner(s), unless it is publicly listed or is a wholly-owned subsidiary of a publicly listed company. Each entity is responsible for the accuracy of the information provided.
- v. State-owned enterprises (SOEs) are required to disclose the name of the state(s) owning or controlling the SOE, the level of ownership and details about how ownership or control is exerted. If the SOE is not fully owned by the state, beneficial ownership information must be disclosed in accordance with Requirement 2.5(c).
- g) Implementing countries are required to disclose the legal owners and of the corporate entity(ies) defined in Requirement 2.5(c), including share of ownership. Companies are encouraged to disclose their ownership structure, including the full chain of legal entities leading to the beneficial owner.

## 2.6 State participation

*The objective of this requirement is to ensure an effective mechanism for transparency and accountability for state-owned enterprises (SOEs), and state participation more broadly, through a public understanding of whether SOEs' management is undertaken in accordance with the relevant regulatory framework. This information provides the basis for continuous improvements in the SOE's contribution to the national economy whether financially, economically or socially, and strengthens understanding of the extent to which SOE investment decisions are aligned with long-term public interests.*

- a) Where state participation in the extractive industries gives rise to material revenue payments, implementing countries are required to disclose:
  - i. An explanation of the role of state-owned enterprises (SOEs) in the sector and prevailing rules and practices regarding the financial relationship between the government and SOEs (including the rules and practices governing transfers of funds between the SOE(s) and the state; retained earnings; reinvestment; and third-party financing). This must include disclosures of transfers; retained earnings; reinvestment; and third-party financing related to SOE joint ventures and subsidiaries.

### TERMINOLOGY

For the purpose of EITI implementation, an SOE is a wholly or majority government-owned company that is engaged in extractive activities on behalf of the government.

Based on this, the multi-stakeholder group is encouraged to discuss and document its definition of SOEs, taking into account national laws and government structures.

- ii. Disclosures from the government and SOE(s) of their level of ownership in oil, gas and mining companies operating within the country's oil, gas and mining sector, including those held by SOE subsidiaries and joint ventures, and any changes in the level of ownership during the reporting period.

This information must include details regarding the terms attached to their equity stake, including their level of responsibility for covering expenses at various phases of the project cycle (e.g. full-paid equity, free equity or carried interest).

Where there have been changes in the level of government and SOE(s) ownership during the EITI reporting period, the government and SOE(s) are expected to disclose the terms of the transaction, including details regarding valuation and revenues.

Where the government and SOE(s) have provided loans or loan guarantees to oil, gas and mining companies operating within the country, details on these transactions must be disclosed, including loan tenor and terms (i.e. repayment schedule and interest rate). Multi-stakeholder groups are encouraged to consider comparing loans terms with commercial lending terms.

- b) SOEs are required to publicly disclose their audited financial statements, or the main financial items (i.e. balance sheet, profit/loss statement, cash flows) where financial statements are not available. Legal and regulatory barriers inhibiting the timely disclosure of audited financial statements must be clearly documented by the reporting entity.
- c) Implementing countries are required to describe the rules and practices related to SOEs' operating and capital expenditures, procurement, subcontracting and corporate governance (e.g. composition and appointment of the Board of Directors, Board's mandate and code of conduct).

In line with Expectation 7 for EITI supporting companies, SOEs are expected to publish their anti-corruption policies and are encouraged to engage in rigorous due diligence processes.

- d) Where applicable, SOEs are encouraged to disclose investments in the extractive industries (including assets and liabilities). SOEs are also encouraged to disclose how their investment decisions are aligned with energy transition and climate risk considerations.
- e) Where feasible, SOEs are encouraged to disclose the identity and beneficial ownership of their agents or intermediaries, suppliers or contractors for material transactions.



## REQUIREMENT 3

### Exploration and production

The EITI requires disclosures of information related to exploration and production, enabling stakeholders to understand the potential of the sector.

#### 3.1 Exploration activities

*The objective of this requirement is to ensure public access to an overview of the extractive sector in the country and its potential, including recent, ongoing and planned significant exploration activities.*

- a) Implementing countries are required to disclose an overview of the extractive industries, including any significant exploration activities.
- b) Implementing countries and companies are encouraged to disclose data on proven economic oil, gas or mineral reserves, where available.

#### 3.2 Production data

*The objective of this requirement is to ensure public understanding of extractive commodity(ies) production levels and the valuation of extractive commodity output, as a basis for assessing expected government revenues from the extractive industries and the potential for government revenue leakages linked to under-reported production.*

- a) Implementing countries are required to disclose timely production data, including production volumes and values by commodity. Data must be further disaggregated by project, where available. An estimate of production resulting from artisanal and small-scale activities must be disclosed where applicable and available.
- b) The sources of and the methods for calculating production volumes and values must be disclosed. Implementing countries are required to disclose existing mechanisms to monitor and verify the accuracy of production data and document findings, including any weaknesses related to the comprehensiveness and reliability of publicly available production data.
- c) Implementing countries are expected to present production data using national and international commodity classification standards.
- d) Companies are encouraged to disclose realised sales volumes and values by project.

#### 3.3 Export data

*The objective of this requirement is to ensure public understanding of extractive commodity(ies) export levels and the valuation of extractive commodity exports, as a basis for assessing expected government revenues from the extractive industries and the potential for government revenue leakages linked to under-reported exports.*

- a) Implementing countries are required to disclose timely export data, including export volumes and the value by commodity and by exporting company.

Implementing countries are expected to disaggregate export data by transaction. An estimate of exports resulting from artisanal and small-scale activities must be disclosed where applicable and available.

- b) The sources of and the methods for calculating export volumes and values must be disclosed. Implementing countries must disclose existing mechanisms to monitor and verify the accuracy of export data and document findings, including any weaknesses related to the comprehensiveness and reliability of publicly available export data. This could involve analysing possible deviations between export values and market prices and/or import values reported by the destination country.
- c) Implementing countries are expected to present export data using national and international commodity classification standards.
- d) Exporting companies and buyers of commodities, including commodity traders, are encouraged to disclose realised sales volumes and values by project.
- e) Implementing countries are encouraged to present export data by region, destination and buyer. Exporting companies and implementing countries are encouraged to disclose whether the buyer is a related party.

### **3.4 Greenhouse gas emissions**

- a) Companies are encouraged to disclose greenhouse gas (GHG) emissions in alignment with existing leading disclosure standards. Where feasible, the multi-stakeholder group is encouraged to request disaggregated disclosures.

## REQUIREMENT 4

### Revenue collection

**An understanding of company payments and government revenues can inform public debate about the governance of the extractive industries. The EITI requires comprehensive disclosure of company payments and government revenues from the extractive industries.**

#### 4.1 Comprehensive disclosure of taxes and revenues

*The objective of this requirement is to ensure comprehensive disclosures of company payments and/or government revenues from oil, gas and mining as the basis for detailed public understanding of the contribution of the extractive industries to government revenues.*

- a) Implementing countries are required to disclose all material payments by oil, gas and mining companies to governments (“payments”) and/or all material revenues received by or on behalf of governments from oil, gas and mining companies (“revenues”) to a wide audience in a publicly accessible, comprehensive and comprehensible manner.

Implementing countries and/or companies are expected to routinely disclose the requisite information through government and corporate reporting (e.g. websites, annual reports), and to collate this information and address any concerns about gaps and data quality in EITI Reports.

- b) Unless there are significant practical barriers, the government is required to disclose the amount of total revenues received from oil, gas and mining companies, disaggregated by revenue stream.
- c) The multi-stakeholder group is required to agree which payments and revenues are material and must therefore be disaggregated in accordance with Requirement 4.7. The multi-stakeholder group must agree appropriate materiality definitions and thresholds for revenue streams and reporting entities. Payments and revenues are considered material if their omission or misstatement could significantly affect the comprehensiveness of the disclosures. All revenue streams and one-off payments by oil, gas and mining companies must be included in the materiality consideration. The multi-stakeholder group must document the options considered and the rationale for establishing the definitions and thresholds.
- d) Implementing countries are required to ensure that all government entities receiving material revenues from oil, gas and mining companies comprehensively disclose these revenues in accordance with the agreed scope.

All oil, gas and mining companies making material payments to the government are required to comprehensively disclose material payments in accordance with the agreed scope.

A company or a government entity should only be exempted from disclosing material payments or revenues if the multi-stakeholder group has agreed to unilateral disclosure by the government or companies in accordance with Requirement 4.9.

- e) Companies are expected to publicly disclose their audited financial statements, or the main items (i.e. balance sheet, profit/loss statement, cash flows and effective tax rates) where financial statements are not available at country level.

Companies are encouraged to disclose tax deductions and incentives in the period under review.

#### 4.2 Sale of the state's share of production or other revenues collected in kind

*The objective of this requirement is to ensure transparency in the sale of oil, gas and/or mineral resources or other revenues collected in kind to allow the public to assess whether the sales values correspond to market values, and to ensure the traceability of the proceeds from the sale of those commodities to the national Treasury.*

- a) Where the sale of the state's share of production of oil, gas and/or mineral resources or other revenues collected in kind is material, the government, including state-owned enterprises (SOEs), are required to disclose the volumes received and sold by the state (or third parties appointed by the state to sell on their behalf); the revenues received from the sale; and the revenues transferred to the state from the proceeds of oil, gas and minerals sold. Where applicable, this must include payments (in cash or in kind) related to swap agreements and resource-backed loans (see definition in Requirement 4.3).

The published data must be disaggregated by individual buying company and to levels commensurate with the reporting of other payments and revenue streams (Requirement 4.7). The multi-stakeholder group, in consultation with buying companies, is expected to consider whether disclosures should be broken down by individual sale, type of product and price.

The multi-stakeholder group is encouraged to disclose information on the ownership of the product sold and the nature of the contract (e.g. spot or term).

- b) Implementing countries, including SOEs, are encouraged to disclose a description of the process for selecting the buying companies; the technical and financial criteria used to make the selection; the list of selected buying companies including beneficial ownership information (where available); the identity of intermediaries or agents (where applicable); and any material deviations from the applicable legal and regulatory framework governing the selection of buying companies and the related sales agreements.
- c) Implementing countries are encouraged to disclose the related sales agreements with buying companies.
- d) Companies buying oil, gas and/or mineral resources from the state, including SOEs (or third parties appointed by the state to sell on their behalf), are encouraged to disclose volumes received from the state or SOE and payments made for the purchase of oil, gas and/or mineral resources. This could include payments (in cash or in kind) related to swap agreements and resource-backed loans.

Companies are encouraged to publish data disaggregated by individual seller, contract or sale. The disclosures could for each sale include information on the nature of the contract (e.g. spot or term) and load port.

- e) Where there are concerns related to data reliability and where practically feasible, the multi-stakeholder group must consider further efforts to address any gaps, inconsistencies and irregularities in the information disclosed.

### 4.3 Infrastructure provisions and barter arrangements

*The objective of this requirement is to ensure public understanding of infrastructure provisions and barter-type arrangements, including resource-backed loans, which provide a significant share of government benefits from an extractive project, that is commensurate with other cash-based company payments and government revenues from oil, gas and mining, as a basis for comparability to conventional agreements.*

- a) The multi-stakeholder group is required to consider whether there are any agreements or sets of agreements involving the provision of goods and services (including loans, grants and infrastructure works), in full or partial exchange for oil, gas or mining exploration or production concessions or physical delivery of such commodities. This includes the provision of goods and services collateralised by future streams of income from their natural resource wealth that meets the International Monetary Fund's definition of collateralised sovereign debt. To be able to do so, the multi-stakeholder group needs to gain a full understanding of the terms of the relevant agreements and contracts; the parties involved; the resources which have been pledged by the state; the value of the balancing benefit stream (e.g. infrastructure works); and the materiality of these agreements relative to conventional contracts.
- b) Where the multi-stakeholder group concludes that these agreements are material, the multi-stakeholder group is required to ensure that these agreements are comprehensively described to the public and that the disclosures provide a level of detail and disaggregation commensurate with the other payments and revenue streams.

Implementing countries are encouraged to publish the underlying barter or infrastructure agreement, including resource-backed loan agreements.

- c) The multi-stakeholder group is required to agree a procedure to address data quality and assurance of the information set out above, in accordance with Requirement 4.9.

### 4.4 Transportation revenues

*The objective of this requirement is to ensure transparency in government and state-owned enterprise (SOE) revenues from the transit of oil, gas and minerals as a basis for promoting greater accountability in extractive commodity transportation arrangements involving the state or SOEs.*

- a) Where revenues from the transportation of oil, gas and minerals are material, the government and state-owned enterprises (SOEs) must disclose the revenues received. The published data must provide a level of detail and disaggregation commensurate with other payments and revenue streams (Requirement 4.7).
- b) Implementing countries are encouraged to disclose:
  - i. A description of the transportation arrangements, including the product; transportation route(s); and the relevant companies and government entities, including SOE(s), involved in transportation.
  - ii. Definitions of the relevant transportation taxes, tariffs or other relevant payments, and the methodologies used to calculate them.
  - iii. Disclosure of tariff rates and volume of the transported commodities.

- iv. Disclosure of revenues received by government entities and SOE(s), in relation to transportation of oil, gas and minerals.

#### 4.5 Transactions related to state-owned enterprises

*The objective of this requirement is to ensure the traceability of payments and transfers involving state-owned enterprises (SOEs), as well as to strengthen public understanding of whether revenues accruable to the state are effectively transferred to the state and of the level of state financial support for SOEs.*

- a) The multi-stakeholder group is required to ensure that the reporting process comprehensively addresses the role of state-owned enterprises (SOEs), including comprehensive and reliable disclosures of material company payments to SOEs, SOE transfers to government agencies and government transfers to SOEs.

#### 4.6 Subnational payments

*The objective of this requirement is to enable stakeholders to gain an understanding of benefits that accrue to local governments through transparency in companies' direct payments to subnational entities and to strengthen public oversight of subnational governments' management of their internally generated extractive revenues.*

- a) The multi-stakeholder group is required to establish whether direct payments (within the scope of the agreed benefit streams, from companies to subnational government entities) are material. Where material, the multi-stakeholder group is required to ensure that company payments to subnational government entities and the receipt of these payments are disclosed. The multi-stakeholder group is required to agree a procedure to address data quality and assurance of information on subnational payments, in accordance with Requirement 4.9.

#### 4.7 Level of disaggregation

*The objective of this requirement is to ensure disaggregation in public disclosures of company payments and government revenues from oil, gas and mining that enables the public to assess the extent to which the government can monitor its revenue receipts as defined by its legal and fiscal framework, and that the government receives what it ought to from each individual extractive project.*

- a) Implementing countries are required to disclose EITI data disaggregated by each individual project, company, government entity and revenue stream.

#### TERMINOLOGY

A “project” is defined as operational activities that are governed by a single contract, license, lease, concession or similar legal agreement, and form the basis for payment liabilities with a government. Nonetheless, if multiple such agreements are substantially interconnected, the multi-stakeholder group must clearly identify and document which instances are considered a single project.

“Substantially interconnected agreements” are a set of operationally and geographically integrated contracts, licenses, leases or concessions or related agreements with substantially similar terms that are signed with a government, giving rise to a single set of payment liabilities. Such agreements can be governed by a single contract, joint venture, production sharing agreement or other overarching legal agreement.

Where a payment covered by the scope of EITI disclosures is levied at entity level rather than at project level, the company is encouraged to disclose the payment at the entity level.

#### 4.8 Data timeliness

*The objective of this requirement is to ensure that public disclosures of company payments and government revenues from oil, gas and mining are sufficiently timely to be relevant to inform public debate and policymaking.*

- a) Implementing countries are expected to publish regular and timely information in accordance with the EITI Standard and the agreed work plan (Requirement 1.5 and in accordance with Requirement 7.2(a)(ii-iii)) on an annual basis. The multi-stakeholder group must agree the accounting period covered by the EITI disclosures.
- b) The data must be no older than the second to last complete accounting period (e.g. information pertaining to the financial year 2023 must be published at the latest by 31 December 2025).

#### 4.9 Data quality and assurance

*The objective of this requirement is to ensure that appropriate measures have been taken to ensure the reliability of disclosures of company payments and/or government revenues from oil, gas and mining. The aim is for the EITI to contribute to strengthening routine government and company audit and assurance systems and practices, so that stakeholders can have confidence in the reliability of the financial data on payments and revenues and of other extractive industry data.*

- a) The multi-stakeholder group is required to provide an assessment of whether government revenues are subject to credible, independent audit, applying international auditing standards.
- b) Government and company disclosures covered by Requirement 4 are expected to be subject to credible, independent audit, applying international auditing standards. The multi-stakeholder group is expected to provide an explanation of the underlying audit and assurance procedures that the data has been subject to, and to provide public access to the supporting documentation.
- c) The multi-stakeholder group is required to agree a procedure to address data quality and assurance in line with one of the standard procedures endorsed by the EITI Board. The multi-stakeholder group is required to document the rationale for adopting a particular standardised procedure and to apply the standard procedure without any material deviations.

The multi-stakeholder group is encouraged to agree an approach to data reliability for the disclosure of non-revenue information in accordance with EITI Requirements 2, 3, 5 and 6.

Should the multi-stakeholder group wish to deviate from the standard procedures, approval from the EITI Board must be sought in advance. The request from the multi-stakeholder group must address the rationale for deviating from the standard procedure; whether there is routine disclosure of the data required by the EITI Standard in requisite detail; whether the financial data is subject to credible, independent audit, applying international standards; and whether there is sufficient retention of historical data.

#### 4.10 Project costs

*The objective of this requirement is to increase public understanding about exploration and production costs in the country's extractive sector and about government policies and practices to monitor companies' costs.*

- a) Implementing countries are required to disclose government policies and practices for monitoring oil, gas and mining project costs and managing revenue loss risks. This must include the disclosure of relevant laws, regulations and policies, as well as actions undertaken to monitor costs.
- b) Implementing countries are expected to disclose final cost and tax audit reports, or summaries of those reports, including costs deemed as non-recoverable and costs deemed non-deductible and any additional revenues to be collected as a result.
- c) Companies and implementing countries are encouraged to disclose declared costs disaggregated by project, and by costs related to operating and capital expenditures. Operating expenditures declared in the reporting year may include amortisation or depreciation of costs incurred in prior years. Companies and implementing countries are encouraged to disclose costs incurred since the commencement of the project.



## REQUIREMENT 5

### Revenue management and distribution

The EITI requires disclosures of information related to revenue allocations, enabling stakeholders to understand how revenues are recorded in the national and, where applicable, subnational budgets, and to track social expenditures by companies.

#### 5.1 Distribution of revenues

*The objective of this requirement is to ensure the traceability of extractive revenues to the national budget and ensure the same level of transparency and accountability for extractive revenues that are not recorded in the national budget.*

- a) Implementing countries are required to disclose a description of the distribution of revenues from the extractive industries.
- b) Implementing countries must indicate which extractive industry revenues, whether cash or in-kind, are recorded in the national budget. Where revenues are not recorded in the national budget, the allocation and value of each revenue stream must be explained, with links provided to relevant financial reports as applicable (e.g. sovereign wealth and development funds, subnational governments, state-owned enterprises (SOEs) and other extra-budgetary entities).
- c) The multi-stakeholder group is encouraged to reference national revenue classification systems and international standards such as the IMF Government Finance Statistics (GFS) Manual.

#### 5.2 Subnational transfers

*The objective of this requirement is to enable stakeholders at the local level to assess whether the transfer and management of subnational transfers of extractive revenues are in line with statutory entitlements.*

- a) Where transfers between national and subnational government entities are related to revenues generated by the extractive industries and are mandated by a national constitution, statute or other revenue sharing mechanism, the multi-stakeholder group is required to ensure that material transfers are disclosed. Implementing countries must disclose the revenue sharing formula, if any, as well as any discrepancies between the expected transfer (calculated in accordance with the relevant revenue sharing formula) and the actual amount that was transferred between the central government and each relevant subnational entity.

The government is encouraged to provide explanations for any discrepancies. The multi-stakeholder group is encouraged to agree a procedure to address data quality and assurance of information on subnational transfers, in accordance with Requirement 4.9.

- b) The multi-stakeholder group is encouraged to ensure that any material discretionary or ad-hoc transfers are disclosed, and to agree a procedure to address data quality and assurance of information on such transfers, in accordance with Requirement 4.9.

- c) The multi-stakeholder group is encouraged to report on actual disbursements and how extractive revenues earmarked for specific programmes or investments at the subnational level are managed, as well as how those programmes address women and other marginalised groups.

### 5.3 Additional information on revenue management and expenditures

*The objective of this requirement is to strengthen public oversight of the management of extractive revenues; the use of extractive revenues to fund specific public expenditures; and the assumptions underlying the budget process, including considerations related to revenue sustainability.*

- a) Implementing countries are encouraged to disclose further information on revenue management and expenditures, including:
  - i. A description of any extractive revenues earmarked for specific programmes, including those related to gender, or for geographic regions. This should include a description of the methods for ensuring accountability and efficiency in their use.
  - ii. A description of the country's budget and audit processes and links to the publicly available information on budgeting, expenditures and audit reports.
  - iii. Timely information that will strengthen public understanding and debate around issues of revenue sustainability and resource dependence. This may include the assumptions underpinning forthcoming years in the budget cycle and the proportion of future fiscal revenues expected to come from the extractive sector.
- b) Implementing countries are expected to disclose any forecasts related to future revenues from the extractive sector, including the underlying assumptions related to projected production levels, projected project costs and projected commodity prices, where they exist. The government is encouraged to explain how energy transition and climate risk considerations have been considered in revenue forecasting.
- c) When requested by the multi-stakeholder group, oil, gas and mining companies are encouraged to disclose projected project production levels, and estimated timelines related to cost recovery.

## REQUIREMENT 6

### Social and economic spending

The EITI encourages disclosures of information related to revenue management and expenditures, helping stakeholders to assess whether the extractive sector is leading to the desirable social and economic and environmental impacts and outcomes.

#### 6.1 Social expenditures and environmental payments

*The objective of this requirement is to enable public understanding of extractive companies' social and environmental contributions, and to provide a basis for assessing extractive companies' compliance with their legal and contractual obligations to undertake social and environmental expenditures.*

- a) Where material social expenditures by companies are mandated by law or the contract with the government that governs the extractive investment, implementing countries are required to disclose these transactions. Where such benefits are provided in kind, implementing countries must disclose the nature and the deemed value of the in-kind transaction. Where the beneficiary of the mandated social expenditure is a third party (i.e. not a government agency), it is required that the name and function of the beneficiary be disclosed. Implementing countries are required to disclose gender disaggregated data on the beneficiaries, where available. Where reconciliation is not feasible, countries must provide unilateral company and/or government disclosures of these transactions.

Implementing countries are expected to disclose the contracts, and any other documents required by law, that describe the level and allocation of material mandatory social expenditures.

- b) Where material payments by companies to the government related to the environment are mandated by law, regulation or contract that governs the extractive investment, implementing countries are required to disclose such payments.

Where environmental payments are mandated by contracts, implementing countries are expected to disclose these contracts.

- c) The multi-stakeholder group is required to agree a procedure to address data quality and assurance of information on social and environmental expenditures, in accordance with Requirement 4.9.

The multi-stakeholder group is encouraged to include in this procedure an evaluation of whether the legal or contractual obligations on social and environmental expenditures or payments are followed in practice.

- d) Where the multi-stakeholder group agrees that discretionary social expenditures, environmental expenditures and/or discretionary environmental payments are material, the multi-stakeholder group is encouraged to develop a reporting process with a view to achieving transparency commensurate with the disclosure of other payments and revenues, and provide gender disaggregated data on the beneficiaries of those expenditures and transfers, where available. The multi-stakeholder group is encouraged to agree a procedure to address data quality and assurance of the information set out above, in accordance with Requirement 4.9.

## 6.2 Quasi-fiscal expenditures

*The objective of this requirement is to ensure that where state-owned enterprises (SOEs) undertake extractive-funded expenditures on behalf of the government that are not reflected in the national budget, these are disclosed to ensure accountability in their management.*

- a) Where state participation in the extractive industries gives rise to material revenue payments, implementing countries are required to include disclosures from state-owned enterprises (SOEs) on their quasi-fiscal expenditures. The multi-stakeholder group must develop a reporting process with a view to achieving a level of transparency commensurate with other payments and revenue streams, and should include SOE subsidiaries and joint ventures.

### TERMINOLOGY

“Quasi-fiscal expenditures” include arrangements whereby SOEs undertake public social expenditure (such as payments for social services, public infrastructure, fuel subsidies and national debt servicing, etc.) outside of the national budgetary process.

Implementing countries and multi-stakeholder groups are encouraged to take the IMF’s definition of quasi-fiscal expenditures into account when considering whether expenditures are considered quasi-fiscal.

## 6.3 Contribution of the extractive sector to the economy

*The objective of this requirement is to ensure a public understanding of the extractive industries’ contribution to the national economy and the level of natural resource dependency in the economy.*

- a) Implementing countries are required to disclose information about the contribution of the extractive industries to the economy for the fiscal year covered by EITI implementation. This must include, where available:
  - i. The size of the extractive industries in absolute terms and as a percentage of gross domestic product (GDP) as well as an estimate of informal sector activity, including but not necessarily limited to artisanal and small-scale mining.
  - ii. Total government revenues generated by the extractive industries (including taxes, royalties, bonuses, fees and other payments) in absolute terms and as a percentage of total government revenues.
  - iii. Exports from the extractive industries in absolute terms and as a percentage of total exports.
  - iv. Employment in the public and private sectors of the extractive industries in absolute terms and as a percentage of the total employment. The information must be disaggregated by gender and occupational level, where available, and further disaggregated by company and project, as well as between local and foreign nationals.

Companies are encouraged to disclose the gender pay gap.

- v. Key regions/areas where production is concentrated.

## 6.4 Environmental and social impact of extractive activities

*The objective of this requirement is to provide a basis for stakeholders to assess the adequacy of the regulatory framework and monitoring efforts to manage the environmental and social impact of extractive industries, and to assess extractive companies' adherence to environmental and social obligations.*

- a) Implementing countries are required to disclose an overview of relevant legal provisions and administrative rules governing environmental and social impact management and monitoring in the extractive sector. This must include information on rules regarding environmental permits and licenses, including social, gender and environmental impact assessments, as well as rehabilitation, decommissioning and closure programmes. It must also include information on the roles and responsibilities of relevant government agencies in implementing the rules and regulations.

The multi-stakeholder group is encouraged to also include information on any reforms that are planned or underway.

- b) Implementing countries and reporting companies are required to ensure that public environmental, social and gender impact assessments, monitoring reports, permits, and licenses that are mandated by law or contract, are publicly accessible in practice.
- c) Companies are encouraged to disclose further information about their social, gender and environmental management and impact.
- d) Implementing countries are encouraged to disclose information on the monitoring and enforcement practices related to the environmental and social impact of extractive activities. This could include information on environmental and social monitoring activities that have been undertaken related to water, land, emissions and human rights, and the outcomes of these activities.
- e) Implementing countries are encouraged to disclose information on environmental sanctioning processes, including any sanctions applied.

## REQUIREMENT 7

### Outcomes and impact

**Regular disclosure of extractive industry data is of little practical use without public awareness, understanding of what the figures mean, and public debate about extractive sector governance. The EITI Requirements related to outcomes and impact seek to ensure that stakeholders are engaged in dialogue about natural resource revenue management. EITI disclosures lead to the fulfilment of the EITI Principles by contributing to wider public debate. It is also vital that lessons learned during implementation are acted upon; that recommendations from EITI implementation are considered and acted upon where appropriate; and that EITI implementation is stable and sustainable.**

#### 7.1 Public debate

*The objective of this requirement is to enable evidence-based public debate on extractive industry governance – including on corruption risks, energy transition, gender and revenue collection – through active communication of relevant data to key stakeholders in ways that are accessible and reflect stakeholders' needs.*

- a) The multi-stakeholder group is required to ensure that government and company disclosures are comprehensible, actively promoted, publicly accessible and contribute to public debate. Key audiences should include government, parliamentarians, civil society, companies and the media.
- b) The multi-stakeholder group is required to:
  - i. Ensure that the information is widely accessible and distributed.
  - ii. Ensure that the information is comprehensible, including by ensuring that it is written in a clear, accessible style and in appropriate languages, and that it considers access challenges and information needs of different genders and subgroups of citizens.
  - iii. Ensure that engagement with stakeholders and outreach events (whether organised by government, civil society or companies) are undertaken to spread awareness of, and facilitate dialogue about, governance of extractive resources, building on EITI disclosures across the country in a socially inclusive manner.
- c) The multi-stakeholder group is encouraged to:
  - i. Produce brief summary reports, with clear and balanced analysis of the information, ensuring that the data sources and authorship are clearly stated.
  - ii. Produce thematic reports on specific areas of extractive sector management, and to make these available online.
  - iii. Use EITI implementation to disclose data beyond the EITI Requirements that would enhance public debate on extractive sector governance, including on corruption risks, gender equity, revenue collection, the impact of the energy transition, and artisanal and small-scale mining, as determined by the multi-stakeholder group.
  - iv. Summarise and compare the share of each revenue stream to the total amount of revenue that accrues to each respective level of government.

- v. Undertake capacity-building efforts, especially with civil society and through civil society organisations, to improve understanding of the information and data from the reports and online disclosures and to encourage use of the information by citizens, the media and others.

## 7.2 Data accessibility and open data

*The objective of this requirement is to enable the broader use and analysis of information on the extractive industries, through the publication of information in open data and interoperable formats.*

- a) Implementing countries are required to ensure that EITI disclosures are made publicly accessible. The multi-stakeholder group must:
  - i. Agree a clear open data policy on the access, release and re-use of EITI data. Government agencies and companies are expected to publish EITI data under an open license, and to make users aware that information can be reused without prior consent.
  - ii. Make the data available in an open data format online and publicise its availability. Open data format means that data is made accessible in CSV or Excel format and contain all data of tables, charts and figures from EITI Reports.
  - iii. Complete summary data files for each fiscal year covered by the EITI in accordance with the template approved by the EITI Board.<sup>4</sup>
- b) Implementing countries are encouraged to make systematically disclosed data machine-readable and inter-operable, and to structure EITI disclosures and other data files so that the information can be compared with other publicly available data.

## 7.3 Recommendations from EITI implementation

*The objective of this requirement is to ensure that EITI implementation is a continuous learning process that contributes to policymaking, by ensuring that the multi-stakeholder group regularly considers findings and recommendations from the EITI process and acts on those recommendations it deems are priorities (see Requirement 1.5).*

- a) With a view to strengthening the impact of EITI implementation on natural resource governance, the multi-stakeholder group is required to take steps to act upon lessons learned; to identify, investigate and address the causes of any information gaps and discrepancies; and to consider the recommendations resulting from EITI implementation. The multi-stakeholder group must consider agreeing recommendations for strengthening government systems and follow up on these recommendations.

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<sup>4</sup> See EITI Summary Data Template, available at [eiti.org/guide](https://eiti.org/guide).

## SECTION 4

# Expectations for EITI supporting companies

**This section sets out the expectations that companies are committed to observing when they support the EITI.**

EITI supporting companies recognise that increased transparency can promote understanding of natural resource management; strengthen public and corporate governance; reduce corruption; and provide data to inform greater transparency and accountability in the oil, gas and mining sectors. Supporting companies, working together with governments and citizens, aim to deliver natural resources in a manner that benefits societies and communities.

Supporting companies uphold the EITI Standard through reporting in EITI implementing countries where they operate. Supporting companies are also encouraged to participate in multi-stakeholder groups and to actively engage in the EITI process in implementing countries.

EITI supporting companies further support EITI implementation through their membership in the EITI Association, by meeting this set of Expectations and an annual financial contribution to the international management of the EITI.

**All EITI supporting companies are expected to:**

### Expectation 1

Publicly declare and publish support for the EITI and the objective of the EITI Association to make the EITI Principles and the EITI Standard the internationally accepted standard for transparency in the oil, gas and mining sectors.

### Expectation 2

Make comprehensive disclosures in accordance with the EITI Standard in all EITI implementing countries where the company or its controlled subsidiaries operate. Where not disclosed in other company reporting, publicly disclose a list of controlled subsidiaries operating in the oil, gas or mining sectors in EITI implementing countries.

### Expectation 3

Publicly disclose taxes and payments to governments at a project-level in line with the EITI Standard in all non-EITI implementing countries where the company operates unless disclosure is not feasible. Where not feasible, the country-specific legal or practical barriers to disclosure should be publicly explained.

### Expectation 4

For companies buying oil, gas and/or mineral resources from the state in EITI implementing countries, disclose volumes received and payments made in line with the EITI Standard and the EITI reporting guidelines for companies buying oil, gas and minerals from governments, unless disclosure is not feasible.



## Expectation 5

In line with the EITI Standard, publicly disclose audited financial statements, or the main items (i.e. balance sheet, profit/loss statement, cash flows) where financial statements are not available.

## Expectation 6

Publicly declare and publish support for beneficial ownership transparency and publicly disclose beneficial owners in line with the EITI Standard, recognising that listed companies will disclose the name of the stock exchange(s), include a link(s) to stock exchange filings where they are listed and otherwise do what is required by applicable regulations and listing requirements.

## Expectation 7

Engage in rigorous due diligence processes and publish an anti-corruption policy setting out how the company manages corruption risk, including how the company collects and takes risk-based steps to use beneficial ownership data regarding joint venture partners, contractors and suppliers in its processes.

## Expectation 8

Publicly declare and publish support for governments' efforts to publicly disclose contracts and licenses that govern the exploration and exploitation of oil, gas and minerals in line with the EITI Standard, and contribute to public disclosure of contracts and licenses in EITI implementing countries consistent with government procedures.

## Expectation 9

Publish a commitment and/or policy on gender diversity in the oil, gas or mining sectors and support reporting by EITI implementing countries under the EITI Standard by disclosing employment in the sectors disaggregated by gender.

## Assessment of the Expectations for EITI supporting companies

The EITI International Secretariat assesses whether supporting companies are meeting the Expectations ahead of the EITI Association Members' Meeting, which is generally held every three years in connection with the EITI Global Conference and is responsible for electing the EITI Board. Results of the assessment are published following supporting company review.

All EITI supporting companies are expected to meet the Expectations. Companies assessed as not fully meeting the Expectations are encouraged to address gaps in adherence and will be assessed as fully meeting the Expectations when gaps are addressed, following notification to and re-assessment by the EITI International Secretariat.

In accordance with Articles 5 and 8 of the EITI Articles of Association, each Constituency of the EITI Association decides on its rules governing appointments of Members of the EITI Association and nominations of Members and Alternates to the EITI Board. These rules are provided in the Constituency Guidelines for Companies.

Consistent with the Constituency Guidelines for Companies, the Constituency of Companies commits to consider whether supporting companies are meeting the Expectations, as assessed by the EITI International Secretariat, as the primary consideration in electing nominees to the EITI Board. The Constituency of Companies, through its sub-constituencies, first considers candidates to nominate to the EITI Board from supporting companies fully meeting the Expectations. Candidates from new supporting companies assessed for the first time and not fully meeting the Expectations may also be considered if the company demonstrates a plan to address gaps in adherence.

EITI supporting company representatives appointed as Members of the EITI Association are subject to the EITI Articles of Association and Code of Conduct, like all other Members from the Constituency of Countries, Constituency of Companies and Constituency of Civil Society Organisations.

## SECTION 5

# Protocol: Participation of civil society

**This section sets out the protocol for ensuring the full, active and effective engagement of civil society in the EITI process.**

## 1. Introduction

The participation of civil society is fundamental to achieving the objectives of EITI, including EITI Principle 4 which states that “public understanding of government revenues and expenditure over time could help public debate and inform choice of appropriate and realistic options for sustainable development”. The active participation of civil society in the EITI process is key to ensure that the transparency created by the EITI leads to greater accountability. A primary motivation for the adoption of the EITI Standard was the desire to produce more relevant, more reliable and more usable information, and better link this information to wider reforms in the governance of the extractive sector or of the management of public accounting and revenue management. Citizens’ ability to work actively to make use of the information generated by the EITI is therefore a critical component of EITI implementation and civil society participation in the EITI.

The participation of civil society in the EITI process is formally assessed at two stages of EITI implementation – during the assessment for joining the EITI and during the Validation process. An assessment of civil society participation may also take place on an ad hoc basis in response to specific concerns raised with the EITI Board about the situation in specific implementing countries. This protocol sets out the questions the EITI Board (including EITI Board Committees) and Validators should consider in assessing whether the provisions pertaining to civil society participation (Requirement 1.3) have been met, as well as the types of evidence to be used in answering those questions. While the provisions relating to civil society participation in the EITI process remain consistent at every stage of EITI implementation, the evidence that the EITI Board uses to evaluate the provisions will vary depending on the circumstances of the country, stage of implementation, and availability of information. It should be noted that the questions posed and the suggested types of evidence set out in 2.1–2.5 below do not constitute provisions, nor is the list exhaustive. However, this protocol provides an assessment framework for the provisions related to civil society engagement.

## 2. The EITI’s interpretation of the provisions on civil society

For purposes of this protocol, references to “civil society representatives” will include civil society representatives who are substantively involved in the EITI process, including but not limited to members of the multi-stakeholder group.

References to the “EITI process” includes activities related to preparation for becoming an EITI country; multi-stakeholder group meetings; meetings of the Constituency of Civil Society Organisations, including interactions with representatives of multi-stakeholder groups; producing EITI Reports; producing materials or conducting analysis on EITI Reports; expressing views related to EITI activities; and expressing views related to natural resource governance.

In assessing the civil society provisions, the EITI Board and Validators will apply the following tests:

### 2.1 Expression

Civil society representatives are able to engage in public debate related to the EITI process and express opinions about the EITI process without restraint, coercion or reprisal.

The EITI Board and Validators will consider the extent to which:

- Civil society representatives are able to speak freely in public about the EITI process, including for example during multi-stakeholder group meetings and EITI events (including the promulgation of EITI Reports, public events, in the media, etc.).
- Actual practice, including diverse stakeholder views or substantive evidence provided by independent third parties, indicates that self-censorship or self-imposed restriction by civil society representatives has taken place related to the EITI process due to fear of reprisal and whether such barriers have impacted civil society representatives' dissemination of information and public comment on the EITI process.

### 2.2 Operation

Civil society representatives are able to operate freely in relation to the EITI process.

The EITI Board and Validators will consider the extent to which the legal, regulatory, administrative and actual environment has affected civil society representative's ability to participate in the EITI process. This could for example include:

- Legal or administrative procedures related to the registration of civil society organisations that have adversely affected their ability to participate in the EITI process; legal or administrative restrictions on access to funding that have prevented civil society organisations from undertaking work related to the EITI process; legal or administrative issues preventing civil society organisations from holding meetings related to the EITI process; legal or administrative barriers to the dissemination of information and public comment on the EITI process, etc.
- Any evidence suggesting that the fundamental rights of civil society representatives have been restricted in relation to the implementation of the EITI process, such as restrictions on freedom of expression or freedom of movement.

### 2.3 Association

Civil society representatives are able to communicate and cooperate with each other regarding the EITI process.

The EITI Board and Validators will consider the extent to which:

- Civil society multi-stakeholder group representatives may seek and are not restricted from engaging other civil society organisations that are not part of the multi-stakeholder group, including capturing their input for the multi-stakeholder group's discussions and communicating outcomes of the multi-stakeholder group's deliberations.

- Formal or informal communication channels between civil society multi-stakeholder group members and the wider civil society constituency have not been restricted.
- Civil society multi-stakeholder group representatives have not been restricted from engaging in outreach to broader civil society, including related to discussions about multi-stakeholder group representation and the EITI process.

## 2.4 Engagement

Civil society representatives are able to be fully, actively and effectively engaged in the design, implementation, monitoring and evaluation of the EITI process.

The EITI Board and Validators will consider the extent to which:

- Civil society representatives are able to fully contribute and provide input to the EITI process. This could for example include evidence of input and advocacy related to key multi-stakeholder group deliberations on issues such as work plan objectives and activities; the scope of the EITI reporting process; approval of EITI Reports; annual self-assessment of the EITI process through the annual activity reports; Validation, etc. It could also include evidence that civil society is regularly participating in multi-stakeholder group meetings, multi-stakeholder group working groups and other EITI events, and that the views of civil society organisations are taken into account and documented in multi-stakeholder group meeting minutes.
- Civil society representatives consider that they have adequate capacity to participate in the EITI. This should include evidence that technical, financial or other capacity constraints affecting civil society have been considered and that plans for addressing such constraints have been agreed upon and/or effectuated, including by providing access to capacity building or resources.

## 2.5 Access to public decision-making

Civil society representatives are able to speak freely on transparency and natural resource governance issues, and ensure that the EITI contributes to public debate.

The EITI Board and Validators will consider the extent to which:

- Civil society representatives are able to use the EITI process to promote public debate, for example through public events, workshops and conferences organised by or with participation of civil society to inform the public about the EITI process and outcomes.
- Civil society representatives are able to engage in activities and debate about natural resource governance, including for example through analysis and advocacy on natural resource issues; use of EITI data; engagement with media outlets; development of tools to communicate the findings of the EITI Reports, etc.

## 2.6 Documentation

Available documentation from the multi-stakeholder group and civil society organisations engaged in the EITI process as well as outcomes from direct consultation with relevant stakeholders, including but not limited to members of the multi-stakeholder group, should be taken into account when gathering the above evidence.

For contextual purposes, the EITI Board will review the broader environment in which the EITI operates, for example by reference to indicators or other types of assessments relevant to the issues addressed in 2.1–2.5 above.

### 3. Ad hoc restrictions on civil society representatives

- 3.1** Ad hoc allegations or reports of potential or actual restrictions on civil society representatives in EITI implementing countries should in the first instance be discussed and addressed by the multi-stakeholder group, subject to any safety concerns that an impacted party may have regarding directly raising such issues domestically.
- 3.2** The EITI Board, through its Rapid Response Committee, may be called to investigate particular cases and address alleged breaches of the EITI Principles and EITI Requirements as appropriate. The EITI Board will consider such requests with regard to the facts of the case, the need to uphold the EITI Principles as well as the principle of consistent treatment between countries. In accordance with Part 2 of the EITI Standard, “where the EITI Board is concerned that adherence to the EITI Principles and EITI Requirements is compromised, it may task the EITI International Secretariat with gathering information about the situation and submitting a report to the EITI Board”. Where concerns related to the participation of civil society are raised, the EITI Board will as appropriate strive to establish whether there is a direct link to the EITI process, including by (i) documenting the facts of the case; (ii) gathering stakeholders’ views; and (iii) applying the test set out in 2.1–2.5 above.
- 3.3** Depending on the circumstances of the case, including the extent to which it can be established that there is a direct link between the concerns raised and the EITI process, the EITI Board will consider an appropriate response. This could for example include a letter from the EITI Chair or the EITI Board to the government concerned; EITI Board or EITI International Secretariat missions to the country; commissioning independent assessments; issuing EITI Board declarations; agreeing to remedial actions, including monitoring of implementation; or calling for a Validation of a country’s adherence to the provisions concerned. In accordance with Part 2 of the EITI Standard, “where it is manifestly clear that a significant aspect of the EITI Principles and EITI Requirements are not adhered to by an implementing country, the EITI Board will suspend or delist the country.” In cases where the EITI Board concludes that the concerns observed do not breach a provision or are not sufficiently linked to the EITI process, it will exercise its discretion as to whether to take any action, placing priority on the need to uphold the EITI Principles and to ensure consistent treatment between countries.

## SECTION 6

# EITI Association Code of Conduct

**This section sets out the principles and standards that guide the behaviour of all EITI Office Holders.**

The EITI Board adopted the Code of Conduct in March 2014 and a revised version was approved in December 2022.

This Code of Conduct applies to all EITI Board members, their alternates, Members of the EITI Association, secretariat staff (national and international), and members of multi-stakeholder groups.

### Article 1: Scope

All EITI Board Members, their alternates, the EITI Chair, Members of the EITI Association, secretariat staff (national and international), and members of EITI multi-stakeholder groups (below referred to as “EITI Office Holders”) shall abide by this Code of Conduct.

### Article 2: Personal behaviour, integrity and values

EITI Office Holders shall observe the highest standards of integrity and ethical conduct and shall act with honesty and propriety. The personal and professional conduct of EITI Office Holders should, at all times, command respect and confidence in their status as Office Holders of an association that promotes an international standard for transparency and accountability and should contribute to the good governance of the EITI.

EITI Office Holders should dedicate themselves to be leading by example and should represent the EITI in good faith and with honesty, integrity, due diligence and reasonable competence in a manner that preserves and enhances public confidence in their integrity and the integrity of the EITI, and ensuring that his or her association with the EITI remains in good standing at all times.

Recognising the often dual role of EITI Office Holders to represent the EITI as well as the respective interests of government, industry and civil society, and recognising the importance of informed public debate on extractives governance, Office Holders should refrain from conduct, including lobbying activity, in breach of Article 3 below. “Lobbying activity” includes activities carried out with the objective of directly or indirectly influencing the formulation or implementation of public policy and the decision-making processes of national governments.

### Article 3: Compliance

EITI Office Holders shall discharge their duties to the EITI in compliance with applicable national laws and regulations and in line with the EITI Articles of Association, EITI Principles, EITI Standard and EITI policies.

## Article 4: Respect for others

EITI Office Holders will respect the dignity, EITI-related needs and private lives of others and exercise proper authority and good judgment in their dealings with colleagues, members of the other EITI bodies, staff members, the general public and anyone whom they come in contact with during the discharge of their duties to the EITI.

## Article 5: Professionalism

EITI Office Holders should perform their assigned duties in a professional and timely manner and should use their best efforts to regularly participate in professional development activities to support discharge of their duties to the EITI.

## Article 6: Diversity and inclusion

EITI Office Holders shall not engage in or facilitate any discriminatory or harassing behaviour directed toward anyone whom they come in contact with during the discharge of their duties to the EITI. EITI Office Holders shall actively support diversity and inclusion during the discharge of their duties to the EITI.

## Article 7: Confidentiality

EITI Office Holders shall not use any information that is provided in their role as EITI Office Holder and which is not already in the public domain in any manner other than in furtherance of their duties to the EITI. EITI Office Holders shall respect confidentiality as set out in the EITI Openness policy and the EITI Observer policy for EITI committees. EITI Office Holders continue to be bound by this obligation for two years after termination of their mandate, unless a different timeframe is agreed by the EITI Board.

## Article 8: Expenditure of EITI resources and use of EITI property

EITI Office Holders shall respect the principle of value-for-money and be responsible in the use of funds dedicated to the EITI. No EITI Office Holder shall misuse EITI property or resources and will at all times keep EITI property secure and not allow any person not appropriately authorised to have or use such property.

EITI Office Holders shall only bill at actual cost travel, operational or other costs related to the fulfilment of duty as an EITI Office Holder. Billing at actual costs is preferred to per diems. EITI Office Holders shall provide goods or services to the EITI as a paid vendor to the EITI only after full disclosure to, and advance approval by, the EITI Board or relevant EITI multi-stakeholder group.

## Article 9: Conflict of interest and abuse of position

EITI Office Holders shall at all times act in the best interest of the EITI and not for interests such as personal and private benefits or financial enrichment.

EITI Office Holders shall avoid conflicts of private interest. For the purposes of this code, a conflict of interest is a situation or circumstance in which interests of EITI Office Holders influence or may influence the objective and impartial performance of their official EITI duties. In this regard, private interests include any advantage for themselves, their families or personal acquaintances.



EITI Office Holders finding themselves in such a situation must recuse themselves and inform the EITI Board or relevant multi-stakeholder group of such recusal. For EITI Board members, the rules established in Article 5.6 of the EITI Board Manual apply.

Specifically, EITI Office Holders shall follow these guidelines:

- Avoid placing (and avoid the appearance of placing) one's own self-interest above that of the EITI; while the receipt of incidental personal or third-party benefit may necessarily flow from certain EITI-related activities, such benefit must be merely incidental to the primary benefit to the EITI and the objective of the EITI. Any per diems set, paid or obtained should be based on reasonable actual costs.
- Refrain from overstepping the conferred powers. EITI Office Holders shall not abuse the EITI office by improperly using the EITI Association or the EITI's staff, services, equipment, resources, or property for personal or third-party gain or pleasure; EITI Office Holders shall not represent to third parties that their authority as an EITI Office Holder extends any further than that which it actually extends.
- Do not engage in any outside personal activities that could, directly or indirectly, materially adversely affect the EITI.

## Article 10: Gifts, trips and entertainment

EITI Office Holders shall not solicit or accept gifts, gratuities, free trips, honoraria, personal property, or any other item of value from any person or entity that are intended to be, or that can reasonably be perceived to be, a direct or indirect inducement to provide special treatment to such donor with respect to matters pertaining to the EITI.

Any offering or receiving of gifts, free trips or other compensation over the value of USD 100 directly or indirectly related to the discharge of EITI responsibilities should be declared to the EITI International Secretariat which will consider what further actions should be taken. Any gifts considered excessive should be refused. In case of doubt whether a gift is excessive, the EITI Office Holder should comply with EITI policies, including the EITI Anti-bribery and anti-corruption compliance policy, and consult with the EITI International Secretariat or relevant multi-stakeholder group. Should it be inappropriate to refuse an offering, notably because such refusal could prove embarrassing to the donor, the gift is to be surrendered to the EITI International Secretariat or the relevant multi-stakeholder group.

## Article 11: Implementation

The EITI Board, multi-stakeholder groups, and international and national secretariats are responsible for making EITI Office Holders familiar with this Code of Conduct and for providing advice and, if required, training on the interpretation and implementation thereof. Those, including multi-stakeholder groups, responsible for making the EITI Office Holders familiar with this Code of Conduct should annually confirm that EITI Office Holders are familiar with the Code of Conduct and report on its implementation to the EITI Board through the EITI International Secretariat.

## Article 12: Reporting

EITI Office Holders or other stakeholders with a concern related to the interpretation, implementation or potential violation of this Code of Conduct shall bring such issues to the attention of the immediate EITI body in accordance with the EITI Policy on voicing concerns. Where matters are brought to the attention of the EITI Board in accordance with the Policy on voicing concerns, the EITI Board will consider the circumstances and consider whether action is necessary in accordance with the EITI Articles of Association, EITI Principles, EITI Standard and EITI policies. Anybody who is uncomfortable to raise any such issues with the immediate EITI body may bring their concerns to the attention to the EITI Board through its Governance and Oversight Committee and its chair, in line with the EITI Policy on voicing concerns.

## SECTION 7

# Open data policy

This section sets out recommendations on publishing open data for EITI implementing countries.

### Preamble

1. This policy contains recommendations on open data in implementation of the EITI within the agreed scope of EITI implementation at the national level. It complements the requirements regarding open data as per Requirement 7. It builds on lessons emerging from national level implementation and emerging international best practice<sup>5</sup> and encourages systematic disclosure.
2. The EITI Principles declare that “a public understanding of government revenues and expenditure over time [can] help public debate and inform choice of appropriate and realistic options for sustainable development” (EITI Principle 4). The EITI Standard therefore requires EITI disclosures to be “comprehensible, actively promoted, publicly accessible, and contribute to public debate” (Requirement 7.1). Improving the accessibility, reliability, relevance, timeliness and comparability of EITI data is essential to realise these objectives.
3. To help realise the EITI Principles, the EITI Board has agreed that systematic disclosure of EITI data through government and company systems is now the default expectation. The EITI encourages routine disclosure from the reporting entities in open formats at the national level within the agreed scope of EITI implementation.
4. The EITI acknowledges that the circumstances differ in each implementing country, that not all countries will be able to transition to open data at the same speed, and that the financial implications need to be considered, both in the near and long term. The demand from the public and the use of the data to address public policy issues should be considered.<sup>6</sup> Access challenges and information needs of different genders and subgroups of citizens should also be taken into account.

### Open data objectives

5. Open data from EITI implementation can improve transparency of government and business activities and increase awareness about how countries’ natural resources are governed. It can shed light on who owns extractive companies; who holds licenses and permits; what the relevant fiscal terms are; and what extractives revenues are levied and spent. Such disclosures provide strong incentives for revenues to be used most effectively.
6. Open data is effective and useful when it is timely, of good quality, and addresses stakeholder needs and expectations. EITI implementation should promote accountability and good governance; enhance public debate and citizen

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5 Including the Open Government Partnership, the G8 Open Data Charter and Technical Annex, the Open Data Charter, the Open Definition and the World Wide Web Consortium (W3C) for developing data standards.

6 The key is to “publish with purpose”, meaning that data publication should be embedded to solving specific policy problems.

engagement; help combat corruption through enhanced government accountability; and improve the delivery of government services. Providing access to comprehensive data can empower individuals, the media, civil society and business to make better informed choices about the services they receive and the standards they should expect. Open data can also be a valuable tool for government in improving policymaking and sector management.

7. Free access to and subsequent use of open data are of significant value to society and the economy. It can be a valuable source of information to multi-stakeholder groups in EITI implementing countries.
8. Emerging data standards can contribute to making data interoperable. Adopting data standards<sup>7</sup> also contributes to the sustainability of data publishing; supports the capacity of governments, industry and civil society to prepare and publish data through accessing existing tools and resources; and can support data use and analysis where standards are thoughtfully designed, and communities of users form around them.

## Open data in EITI implementation

9. EITI Implementing countries are encouraged to:
  - a) Systematically publish open data by embedding open data policies and strategies in reporting entities involved in EITI reporting, to ensure disclosure of data that is timely, high quality, accessible and cost effective.
  - b) Work with users to identify priority data sets and the form that the data delivery should take.<sup>8</sup>
  - c) Consider different user needs and access challenges based on gender, ethnic and geographic representation.
  - d) Ensure that data is provided in granular, machine-readable formats and fully described, so that users have sufficient information to understand their strengths, weaknesses, analytical limitations and security requirements, as well as how to process the data.
  - e) Release data as early as possible, allow users to provide feedback, and then continue to make revisions to ensure the highest standards of open data quality.
  - f) Release data under an open license, preferably Creative Commons Attribution 4.0, that allows users to freely obtain and easily re-use it.<sup>9</sup>
  - g) Share technical expertise and experience with other countries to maximise the potential of open data in a socially inclusive manner.

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7 See for example Open Ownership (no date), "Beneficial Ownership Data Standard", retrieved from <https://standard.openownership.org/en/0.3.0/>; Open Contracting (no date), "Open Contracting Data Standard", retrieved from <https://standard.open-contracting.org>.

8 Users can refer to citizens, the media, academia and other government agencies who use data from other agencies for their own service delivery.

9 See Open Knowledge Foundation (no date), "Avoiding data use silos". Retrieved from <https://research.okfn.org/avoiding-data-use-silos/>.

- h) Work to increase open data literacy and encourage people, such as developers of applications and civil society organisations that work in the field of open data promotion, to unlock the value of open data.
- i) Ensure that data is interoperable with national and international standards,<sup>10</sup> including adopting data standards approved by the EITI Board and additional guidance provided by the EITI International Secretariat.
- j) Where possible support the cross-referencing of data with other datasets by using unique, persistent and public identifiers for commercial and government entities.
- k) Consider the technical infrastructure to deliver and use the open data.<sup>11</sup>
- l) Consider the governance and sustainability of open data policies as to ensure that reporting entities have a data steward, data is retained, and security standards are in place.

## Engagement with the open data community

- 10. To learn from and shape best practices of government open data, EITI implementing countries are encouraged to endorse the Open Data Charter<sup>12</sup> and other relevant initiatives.
- 11. To transfer lessons learned from EITI countries and draw from international experience, the EITI International Secretariat should engage in working groups focusing on open data, where considered complementary.

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<sup>10</sup> See for example the Open Data Standards Directory (no date). Retrieved from <http://datastandards.directory/>.

<sup>11</sup> Technical infrastructure relates to the information technology and skills needed to enable data to be collected, cleaned, connected to other datasets and published. Mapping data ecosystems can be a way to chart out the technical infrastructure and actors related to the collection, curation and publication of data.

<sup>12</sup> See Open Data Charter (no date), “Endorse the ODC Principles”. Retrieved from <https://opendatacharter.net/endorse-the-charter/>.







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