

Validation of the Central African Republic

Final assessment of progress in implementing the 2019 EITI Standard

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Acronyms

BEAC	Banque des États de l'Afrique Centrale (regional central bank)
CAR	Central African Republic
COMIGEM	Comptoir de Minerais Gemmes et Métaux Précieux (state-owned buying house)
DGDDI	Direction Générale des Douanes et des Droits Indirects (Customs Department)
DGID	Direction Générale des Impôts et des Domaines (Tax Department)
DGMG	Direction Générale des Mines et de la Géologie (Mines and Geology Department)
DGP	Direction Générale du Pétrole (Petroleum Department)
DGTCP	Direction Générale du Trésor et de la Comptabilité Publique (Treasury)
EITI	Extractive Industries Transparency Initiative
FDM	Mining Development Fund
FSPDC	Community Development Projects Support Fund
FSPP	Petroleum Promotion Support Fund
IMF	International Monetary Fund
KP	Kimberley Process
MINUSCA	United Nations Multidimensional Integrated Stabilization Mission in the CAR
MMG	Ministry of Mines and Geology
MSG	Multi-Stakeholder Group
NGO	Non-Governmental Organisation
ORGEM	Mining and Geological Research Office
PSC	Production Sharing Contract
SOE	State-Owned Enterprise
SPPK	Kimberley Process Permanent Secretariat
XAF	Central African CFA Franc
ToR	Terms of Reference
TOFE	Government Financial Operations Table
USD	United States Dollars

Executive summary

This draft Validation report presents the findings of the International Secretariat's Validation of the Central African Republic (CAR), which commenced on 1 April 2024. The draft report was finalised for review by the multi-stakeholder group (MSG) on 1 August 2024. The report from the external expert, appointed by the EITI Validation Committee to review progress on Requirement 1.3 on civil society engagement and adherence to the EITI protocol: Participation of civil society, constitutes an annexe to this report and has informed the Secretariat's assessment of progress. Following comments from the MSG received on 11 September 2024, the Validation report was finalised for consideration by the EITI Board. The assessment finds that the Central African Republic has only fully met one EITI Requirement, mostly met seven, partly met 16 and not met one requirement, with six requirements assessed as not applicable.

The CAR's Adapted implementation

In October 2021, the EITI Board agreed to lift the CAR's suspension and to grant the MSG's request for adapted implementation in two respects.¹ First, the CAR was allowed to define the scope of EITI disclosures to the eight diamond-exporting prefectures approved as compliant by the Kimberley process.² Second, the first EITI Report was allowed to be produced on the basis of unilateral government disclosures. A description of the scope of EITI and Kimberley Process implementation is provided in Annexe A. The CAR has published a report on contracts and licensing (covering 2020) and two EITI Reports (covering 2020 and 2021) in the period since its suspension was lifted, alongside raw data on reconciliation of government mining revenues for 2016-2019. The MSG has gone beyond the terms of its adapted implementation by designing its EITI reporting to cover extractive companies making material payments to government irrespective of the location of their activities, given the lack of identification of government revenues by geographic location. Given the MSG's scope of EITI disclosures beyond the eight Kimberley Process compliant prefectures and the expansion in mining activities beyond those areas in recent years, this Validation assesses progress in disclosures on all mining activities within the scope of the CAR's EITI reporting, i.e. beyond the eight prefectures. The terms of the CAR's adapted implementation are set to conclude with this Validation.

Key achievements

- The CAR has expanded the scope of its EITI disclosures beyond the terms of its Board-approved adapted EITI implementation, by attempting to cover extractive activities nationwide, not restricted to the eight prefectures deemed compliant with the Kimberley Process. It has also expanded the scope of EITI disclosures to the forestry sector, a bigger contributor to government revenues than mining and petroleum. While the scope of EITI disclosures remains constrained by weaknesses in state administrations' information technology systems and limits to state control over mining areas that currently do not appear to contribute to government revenues, CAR EITI reporting has attempted a more systematic coverage of the largest extractive company contributors to state revenues irrespective of the location of their activities. This provides robust foundations for the CAR's next steps following the conclusion of its current adapted implementation at the time of this Validation.

¹ See Board decision [2021-61](#).

² Boda, Berberati, Carnot, Mbaiki, Boganagone, Boganda, Gadzi and Nola.

- The CAR's EITI process since 2021 has made some progress in developing a register of active mining licenses, even if its comprehensiveness and accuracy still require improvements. The CAR EITI has identified weaknesses in mining cadastral management and published the most complete license register available online, based on significant efforts to improve the manual license register. The priority should now be to sanitise one official mining license register, which could form the basis for a public inventory of published contracts and licenses, including any amendments.
- The CAR EITI has established a multistakeholder platform on extractive industry governance that is unique in the country and that has significant convening power. With the Prime Minister as MSG Chair, six Government Ministers as MSG members, and regular, proactive, attendance at MSG meetings, the CAR EITI has built an institutional tool that could support more meaningful EITI reporting and greater contributions to public debate and policymaking. The MSG's self-awareness and transparency around the limitation of its EITI implementation to date, reflected in the critical assessments of weaknesses in progress towards the objectives of EITI Requirements in its Validation templates for instance, are encouraging signs of stakeholders' intention to use EITI implementation as a diagnostic tool.

Areas for development

- The government's proactive leadership of EITI implementation in the CAR is welcome. Yet with total government revenues from the mining and petroleum sectors of only around USD 2.6m in 2021 according to EITI Reports, the government should ensure that its engagement in the EITI process is commensurate with the sector's economic contribution and prospects. The significant engagement of senior government officials on the MSG, including seven Ministers and the Prime Minister, must be balanced with proactive operational engagement by technical-level government stakeholders in the detail of EITI implementation.
- In contrast to the government's stated commitment to transparency and accountability through the EITI process, a number of recent reforms raise questions around whether this commitment is genuine, including the removal of Article 60 of the 2016 [Constitution](#) requiring disclosure of extractive contracts in the 2023 [Constitution](#), which has now been moved into the newly adopted Mining Code. Much focus has been devoted to the diamond sector, which appears to have been growing less fast than the gold sector in recent years. Despite allegations from think tanks and the media of a doubling in the size of the Ndassima gold mine, stakeholders deny that the mine is in operation even if the 2021 EITI Report confirms that a license was awarded to the mine. For the EITI to be relevant and focus on current issues of public interest, the Central African Republic could expand its EITI disclosures from disclosing the limited revenues the government collects from the sector to estimating the foregone and lost revenues from tax holidays and exemptions granted to the largest mining operators in the country, such as the country's only large-scale industrial gold mine, Ndassima.
- The CAR EITI's focus has been on technical aspects of EITI reporting rather than on active outreach and dissemination efforts or on monitoring the environment for public debate on extractive industry governance in the Central African Republic. This Validation has identified a pattern of government constraints on civil society's freedoms of expression and operation that hinder the public's engagement in all aspects of the EITI process. It is

crucial that the CAR EITI's focus on the mechanics of transparency through EITI Reports be expanded to efforts to improve accountability in the governance of the extractive industries. The CAR EITI must establish a robust mechanism to identify and address any constraints from government or its private military service providers on civil society substantially engaged in the EITI process or in public debate on extractive industry governance.

Progress in implementation

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

Stakeholder engagement

The CAR has established a multi-stakeholder group (MSG) that includes many relevant stakeholders from government, industry and civil society. However, only a minority of civil society representatives appear to be selected from NGOs, while industry includes representatives from small-scale miners, buying houses and artisanal miners' cooperatives, but not of foreign investors in semi-mechanised and larger mines. The government is very well represented at the most senior level on the MSG (with seven Government Ministers and chaired by the Prime Minister), and devotes resources for sustaining EITI reporting. The relevance of government representation on the MSG could be reviewed and the MSG could establish working-level multi-stakeholder committees to sustain coverage of the extractive industries that remain of a limited size (around USD 10m combined for mining, petroleum and forestry in 2021). The MSG has met relatively infrequently and does not yet operate a robust mechanism of technical working groups to sustain multi-stakeholder oversight of all aspects of EITI implementation. This Validation has identified weaknesses in civil society's engagement in the EITI related both to technical and financial resource constraints, but also to breaches of the EITI protocol: Participation of civil society related to expression and association. Addressing these constraints with urgency will be crucial to refocusing EITI implementation on all main extractive industry governance issues and decentralising the EITI process beyond the capital city Bangui.

Transparency

The extractive industries contribute very little to government revenues, with only USD 2.6m in revenues from mining and petroleum in 2021 compared to USD 8.7m from the forestry sector. There are almost no systematic disclosures of information required by the EITI Standard in the CAR and both government and company archiving and disclosure systems are weak following the destruction of many records during the civil war. The government and companies do not maintain modern IT systems, which has posed significant challenges to EITI reporting, including in simply building a list of companies making payments to government. The CAR's EITI Reports are transparent about the lack of comprehensiveness or reliability of financial data in the CAR's EITI Reports to date, but have shied away from formulating more strategic recommendations related to strengthening prevailing accounting and assurance systems in government and extractive companies. The government has made some effort in publishing ²⁹ [mining contracts](#) (without annexes) after the start of this Validation, although more work is needed to formalise and implement the government's pro-disclosure policy for extractive contracts and licenses. The Mining Code, adopted in August 2024, has introduced new provisions related to the publication of contracts as well as the collection and disclosure of beneficial ownership information in the mining sector, but they fall short to meet the requirements of the EITI Standard. The contract transparency provision in the 2016 Constitution (Art. 60), which required the publication of any minerals contract within eight days upon its signature, was removed in the August 2023

Constitution. The implementation of these provisions in the newly adopted Mining Code will be key. While there are no longer any active state-owned enterprises (SOEs) in the extractive industries the new Mining Code foresees the creation of one. However, the government appears to have concluded a minerals-for-military services agreement³, details of which should be publicly disclosed. There are important opportunities for the CAR's EITI process to play a greater role both in driving government reforms and in catering to demand for information from civil society and extractive companies channelled through their representatives on the MSG.

Outcomes and impact

The CAR has consistently had a current work plan in place since its suspension was lifted in 2021, although more work is needed to align EITI objectives with national priorities. While consultations with the broader constituencies appears to have been held in originally developing the 2021-2024 CAR EITI work plan, these do not appear to have been repeated in preparing the 2024-2025 work plan or the 2021-2023 annual progress reports approved just ahead of this Validation in March 2024. There is consensus among stakeholders consulted that the focus of the CAR's EITI implementation since early 2022 (when activity resumed in earnest) had been on producing EITI Reports and launching the CAR EITI website, rather than outreach and dissemination beyond the official launch events for the EITI Reports in December 2022 and 2023. There are opportunities for the MSG to establish robust internal mechanisms for following up on recommendations from EITI Reports and Validation, building on the current ad hoc approach to follow-up.

³ These allegations feature in reports from the Centre for Strategic and International Studies (CSIS) in [July 2023](#), the Council on Foreign Relations in [May 2023](#), the Geneva Centre for Security Policy in [March 2024](#), and the justification for United States Treasury [sanctions](#) on several mining companies alleged linked to the government's private security contractors in June 2023.

Validation scorecard

Component & module	EITI Requirement	Progress	Score
Overall score		Low	45/100
Outcomes and impact	Work plan (#1.5)	Mostly met	60
	Public debate (#7.1)	Partly met	30
	Data accessibility and open data (#7.2)	Partly met	30
	Recommendations from EITI (#7.3)	Partly met	30
	Outcomes & impact (#7.4)	Mostly met	60
	Extra points: Effectiveness and sustainability indicators		0.5
Outcomes and impact		Low	42.5/100
Multi-stakeholder oversight	Government engagement (#1.1)	Fully met	90
	Industry engagement (#1.2)	Mostly met	60
	Civil society engagement (#1.3)	Partly met	30
	MSG governance (#1.4)	Partly met	30
Stakeholder engagement		Fairly low	52.5/100
Overview of the extractive industries	Exploration data (#3.1)	Mostly met	60
	Economic contribution (#6.3)	Partly met	30
Legal and fiscal framework	Legal framework (#2.1)	Mostly met	60
	Contracts (#2.4)	Mostly met	60
	Environmental impact (#6.4)	Not assessed	-
Licenses	Contract and license allocations (#2.2)	Partly met	30
	License register (#2.3)	Partly met	30
Ownership	Beneficial ownership (#2.5)	Partly met	30
State participation	State participation (#2.6)	Not applicable	-
	In-kind revenues (#4.2)	Not applicable	-
	SOE transactions (#4.5)	Not applicable	-
	SOE quasi-fiscal expenditures (#6.2)	Not applicable	-
Production and exports	Production data (#3.2)	Partly met	30
	Export data (#3.3)	Partly met	30
	Comprehensiveness (#4.1)	Partly met	30
Revenue collection	Barter agreements (#4.3)	Not met	0
	Transportation revenues (#4.4)	Not applicable	-
	Disaggregation (#4.7)	Partly met	30
	Data timeliness (#4.8)	Fully met	90
Revenue management	Data quality (#4.9)	Partly met	30
	Distribution of revenues (#5.1)	Partly met	30
	Revenue management & expenditures (#5.3)	Not assessed	-
Subnational contributions	Direct subnational payments (#4.6)	Not applicable	-
	Subnational transfers (#5.2)	Not applicable	-
	Social and environmental expenditures (#6.1)	Mostly met	60
Transparency		Low	39.5/100

How EITI Validation scores work

Component and overall score

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



Assessment of EITI Requirements

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



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

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

1. Effectiveness and sustainability indicators

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

1.1 National relevance of EITI implementation

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

The CAR's 2021-2024 and 2024-2025 EITI work plans include an over-arching objective for EITI implementation to contribute to sustainable development, but their more specific objectives are more narrowly linked to the technicalities of EITI implementation than to broader sector or national priorities. The only exception is the second specific objective, to provide citizens with information to enable them to hold the government to account in the governance of the mining and forestry sectors. Stakeholder consultations confirmed that the broader constituencies had originally been consulted on the work plan objectives in 2021, when the MSG was preparing its request to the EITI Board to lift the CAR's suspension.

The CAR's EITI process appears to address some relevant extractive industry challenges, such as identifying the limited direct and indirect contributions of the mining, petroleum and forestry sectors to the national economy. There has also been recent progress in the publication of 29 mining contracts after the start of Validation, addressing a key area of opacity in extractive industry governance. However, there are significant opportunities for the CAR to extend its EITI process to other relevant challenges such as monitoring larger tax-exempt mines, providing a diagnostic of the rules and practices related to managing the environmental and social impacts of extractive activities, or assessing third-party estimates of informal and illegal extractive activities.

The MSG has seized opportunities to go beyond the minimum requirements of the EITI Standard since 2021 by expanding the scope of EITI implementation to the forestry sector, which accounts for more than double the combined annual government revenues from mining and petroleum. The MSG has also included buying houses and artisanal miners' cooperatives in the scope of EITI implementation, reflecting the predominantly artisanal and semi-mechanised nature of mining in the country. There are however opportunities to consider opportunities to go beyond the minimum requirements in other ways, including by modelling foregone revenues linked to tax and royalty exemptions to larger mines, by extending beneficial ownership disclosures to all sectors of the economy, and by using its EITI disclosures to publish more information that could further public understanding and debate around issues of revenue sustainability and resource dependence, including the assumptions underpinning forthcoming years in the budget cycle and relating to projected production, commodity prices and revenue forecasts arising from the extractive industries and the proportion of future fiscal revenues expected to come from the extractive sector. The MSG has discussed some other issues related to extractive sector governance such as the proposed reforms to the 2009 Mining Code.

Most stakeholders consulted considered that it was too early to tell whether the EITI was leading to its intended outcomes given that the MSG's focus since it restarted implementation in earnest in January 2022 was primarily on producing EITI Reports and building their capacities to understand the requirements of the EITI Standard. Yet most stakeholders consulted from

government, industry and civil society have very high ambitions for the EITI process to help the CAR expand the number of prefectures deemed compliant with the Kimberley Process and enable more areas of the country to legally export diamonds, even if consulted stakeholders could not explain concretely how the EITI was expected to do so.

While development partners such as the EU and the US have suspended their mining technical assistance programmes, the World Bank continues as the sole international development partner supporting extractive industry reforms in the CAR. The World Bank's USD 17.6m Natural Resource Governance [Project](#) is coming to an end in June 2024, but it plans to launch a new digital information and governance project by end 2024 that will support key reforms in the mining sector such as developing a digital mineral cadastre, supporting the nascent geosciences infrastructure, and support to the Kimberley Process and the CAR EITI, until 2026.

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

1.2 Systematic disclosures of extractive industry data

There are only very few systematic disclosures of data required by the EITI Standard through routine government systems, and none by companies. The most consistent publications are the annual reports of Kimberley Process implementation in the CAR published on the CAR EITI [website](#) and the Ministry of Mines and Geology [website](#) and provide official annual diamond production and export volumes. The Ministry of Finance and Budget [website](#) publishes the budget law (*loi des finances*) annually, even if it does not yet publish the budget execution report (*loi de règlement*). Beyond there, there are only few publications of data, aside from the republication of diamond and gold production volumes by the national statistics institute (*Institut Centrafricain des Statistiques et des Etudes Economiques et Sociales* - ICASEES) on the CAR [page](#) of the Open Data For Africa portal.

While there has been little improvement in systematic disclosures of EITI data to date, the CAR EITI 2024-2025 [work plan](#) includes a specific objective (number 3) on integrating EITI data in routine government disclosure systems. Implementation of the planned new Mining Code and the development of a modern mining cadastral management system offer opportunities for the CAR EITI to help shape systematic disclosure systems being developed by the government.

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

1.3 Environment for citizen participation in extractive industry governance

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

The rules and practices related to the legislative and regulatory environment for citizen participation in extractive industry governance are not conducive to citizen engagement, including from affected communities, in decision-making about how extractive resources are governed. There is no evidence of consultation of host communities in awarding mining rights for instance, despite statutory requirements in the 2009 Mining Code for consultations with local government officials (*préfets*). Rather, there is anecdotal evidence from stakeholder consultations that some local government officials (*préfets*) had begun granting mining rights without informing national authorities in the capital Bangui.

Review of meeting minutes and other EITI documents does not indicate that the MSG has reviewed policies and practices contributing to strengthening citizen participation. Civil society organisations engaged in EITI implementation face significant technical and financial resource constraints. Stakeholder consultations with civil society highlighted a need for funding and expertise to ensure their full and effective engagement in the EITI process, including on key issues like contract disclosure (see *Requirement 2.4*).

There is little evidence that EITI implementation has contributed to changes in civic space in the CAR, beyond opening a (small) space for discussion about extractive industry governance issues at MSG meetings. However the formality of these interactions limits the scope of civil society effectiveness in gathering additional information through the EITI process. Stakeholders consulted from all constituencies did not consider that the EITI process had yet had an effect on communities in regions with extractive activities given that the last two years of implementation focused on building capacity around the EITI Standard and producing reports (see *Requirement 7.1*).

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

1.4 Accessibility and use of extractive industry data

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

The CAR EITI website publishes EITI Reports and associated data and documents, but has not proactively conducted outreach or dissemination around the findings. Much of the data published by CAR EITI is relevant for stakeholders such as Parliamentarians, journalists, NGOs and host communities, but stakeholder consultations indicated that most stakeholders from all constituencies were reviewing the EITI data for the first time. Some, but not all, of the CAR EITI data is published online in open format, although it has yet to produce summary data files for these EITI Reports. Publication of CAR EITI data has nonetheless been timely, at the end of the second year after the period covered.

There is little evidence of use of CAR EITI data to date, aside from press coverage of the two formal EITI Report launches in the period. The International Secretariat has prepared a simple analysis that highlights some of the license data errors that would have been identified by any other use of this CAR EITI data on mining licenses (see *Annexe D*). Likewise, there is little evidence that the EITI has yet led to public debate or strengthened accountability mechanisms at the national or subnational levels. There are significant opportunities for CAR EITI to strengthening EITI implementation by addressing the encouraged aspects of the EITI Standard such as on anti-corruption and domestic resource mobilisation. For instance, there is an opportunity for CAR EITI to expand its scope to estimating the foregone revenues from tax incentives granted to the largest mining operators, such as with the Ndassima gold mine.⁴

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

⁴ This work could potentially draw on the 2011 [feasibility study](#) for the Ndassima gold mine, which is available online.

1.5 EITI-related changes to extractive industry policy and practice

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

There is little evidence of use of EITI data, findings or recommendations when government has reviewed extractive industry policies and practices, aside from the input of stakeholders involved in the EITI process to reforms of the 2009 Mining Code. As a result of recommendations from EITI stakeholders, particularly from government, the draft new Mining Code reportedly includes provisions for the disclosure of extractive contracts and beneficial owners, although a copy of the draft new Mining Code was not available for this Validation. Stakeholder consultations also highlighted that the EITI process had led to the government prioritising plans to develop a modern mining cadastral management system, with support from the World Bank.

Pending enactment and implementation of the new Mining Code however, there is no documentation of changes in government and company systems, procedures, policies and practices as a result of EITI implementation. The three annual progress reports published by CAR EITI right before this Validation do not document outcomes and impacts of the EITI process beyond reviewing activities undertaken during 2021-2023. The Secretariat recognises that the seniority of the government's engagement in the EITI process, led by the Prime Minister, combined with the CAR EITI's impact on planned revisions to the Mining Code provide a solid foundation for the EITI to lead to further changes in future. Yet important reforms such as the 2023 Constitution that removed previous constitutional provisions requiring the disclosure of all extractive contracts send a worrying signal about the authorities' commitment to transparency and accountability in the governance of the extractive industries.

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

2. Outcomes and impact

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

Progress by requirement and corrective actions

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

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Work plan (Requirement #1.5) <i>Mostly met</i>	The Secretariat's assessment is that Requirement 1.5 is mostly met. The MSG's 'Outcomes and impact' template considers that the objective of ensuring that the annual planning for EITI implementation supports implementation of national priorities for the extractive industries was mostly met. Most stakeholders consulted from all constituencies considered that the objective was fulfilled. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as mostly met, given the work plan's expansion of the scope of EITI implementation to forestry, even if

	<p>the Central African Republic (CAR) EITI work plan objectives could be better aligned with national priorities and consultations in the development of the work plan could be significantly strengthened. In its response to the draft Validation report, the MSG noted that it will take into account all the points of improvement expressed in the Validation report for for future work plans.</p> <p>The 2021-2024 CAR EITI was developed in early 2021 and approved in August 2021 to support the MSG's request for the country's suspension to be lifted and for adapted implementation. The work plan is published on the CAR EITI website, but was not updated since originally agreed in 2021, as confirmed in the MSG's 'Outcomes and impact' template. The CAR EITI work plan includes a narrative report and a detailed spreadsheet listing activities and timelines. Although the CAR EITI website was not operational until end-2022, the global EITI website published the CAR EITI 2021-2024 work plan on the MSG's behalf in August 2022 pending reactivation of the CAR EITI website. The MSG's 'Outcomes and impact' template explains that the CAR EITI work plans have been published in local newspapers (<i>L'Aurore</i> and <i>RCA Actualités</i>) to ensure that the document was publicly accessible. On 28 March 2024, the MSG approved its April 2024-March 2025 work plan, containing both a narrative report and a details spreadsheet of activities. While the MSG's 'Outcomes and impact' template concedes that the EITI work plan was not updated annually in the 2021-2024 period, it highlights that the work plan's implementation was reviewed annually as part of the MSG's regular meetings, with delayed activities rolled over into the 2024-2025 work plan. There is however little evidence of work plan reviews in the minutes of MSG meetings.</p> <p>The CAR's 2021-2024 EITI work plan includes one over-arching objective for EITI implementation to contribute to sustainable development through a responsible and transparent management of extractive resources and forestry. However, the work plan's nine sub-objectives are more narrowly related to EITI implementation than to national priorities or the EITI Principles, aside from the second sub-objective that aims to provide citizens with information to enable them to hold the government to account in the governance of the mining and forestry sectors. The CAR's 2024-2025 EITI work plan has similar objectives and sub-objectives for EITI implementation as the 2021-2024 work plan. The MSG's 'Outcomes and impact' template highlights the EITI work plan's alignment with the CAR's Recovery and Peacebuilding Plan, noting that the EITI is generally a tool for improving transparency and accountability in the extractive industries, but without articulating how the EITI work plan's sub-objectives align with these national priorities. Several stakeholders from all constituencies noted that the focus of the CAR's EITI implementation since 2021 had been for stakeholders to familiarise themselves and build capacities on the EITI Standard, rather than an explicit focus on aligning EITI implementation objectives with national priorities. Thus, the alignment of CAR EITI implementation objectives could be better aligned with national priorities for the extractive industries and public finance management.</p> <p>The CAR's 2021-2024 work plan includes a sub-objective (number 4) related to strengthening the systematic disclosures of government and extractive companies, but the constituent activities relate to mapping existing systematic disclosures and awareness raising, rather than activities led by government agencies and companies to strengthen systematic disclosures – indeed the CAR EITI Secretariat is marked as lead for all activities in this</p>
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	<p>category. The 2024-2025 work plan maintains the same sub-objective and types of activities as the 2021-2024 work plan.</p> <p>The 2021-2024 work plan's narrative report (section 3) refers to "multiple sessions of consultation with all stakeholders", but does not provide additional details on the number, timing or methodology of consultations with the broader constituencies, nor an overview of the types of input provided to the work plan's development by each of the three broader constituencies. The 2020 and 2021 EITI Reports confirm that the work plan was developed on the basis of consultations with the three constituencies, who provided input based on their "respective preoccupations and expected outcomes", but without specifying in more detail the type of input provided by the broader constituencies. The MSG's 'Outcomes and impact' template confirms that the broader constituencies were consulted, but only in developing the national priorities for EITI implementation. The 2024-2025 work plan's narrative report only refers to consultations of working groups and the MSG in developing the work plan, not consultations with the broader constituencies. Several industry and civil society stakeholders consulted explained that they had canvassed their broader constituencies in developing the work plan, but that this engagement had focused more on sharing information on the EITI process rather than collecting input to the development of the workplan. Several MSG members consulted explained that they consulted their broader constituencies individually, but considered that they had the constituency's mandate in developing and agreeing the EITI work plan. There is thus significant scope to strengthen consultations of the three broader constituencies in developing the annual CAR EITI work plan. In its comments to the draft report, the MSG noted that 'vast consultations' with civil society were carried out which contributed to the definition of national priorities. The comments did not note which those were.</p> <p>The CAR's 2021-2024 work plan confirms that it covers the period from August 2021 to July 2024, while the detailed spreadsheet presents activities planned per quarter, with deadlines included. However, many of the activities do not appear time-bound or measurable, as they relate to ongoing activities. The work plan appears to be broadly aligned with timelines for EITI reporting and Validation. This is also the case for the 2024-2025 work plan.</p> <p>The CAR's 2021-2024 work plan includes activities related to addressing capacity constraints, albeit specifically targeting the national secretariat and government entities, rather than also including companies or civil society. The work plan includes activities related to awareness raising of specific stakeholder groups, but does not describe additional capacity building activities. The 2024-2025 work plan includes similar capacity building activities targeting the national secretariat, government revenue-collecting entities and the MSG, not members of other constituencies like companies or civil society.</p> <p>Beyond general activities related to mapping systematic disclosures, the CAR's 2021-2024 work plan does not address the scope of EITI implementation and does not include any activities related to the comprehensiveness and reliability of EITI disclosures. The lack of activities related to the scope of EITI implementation is a particular concern given directions in the EITI Board's decision lifting the CAR's suspension in 2021 that recommended that the CAR EITI take steps to collaborate with the Kimberley Process to expand transparency in the extractive industries. The</p>
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	<p>detailed activities in the CAR EITI work plan do not reference the Kimberley Process. This is also the case in the 2024-2025 work plan. In response to the draft Validation report, the MSG highlighted that a Kimberley Process representative participates in the MSG, citing that this has contributed to a more efficient data collection for the ongoing EITI Report and preparations for Validation.</p> <p>Nevertheless, the CAR's EITI work plan expanded the scope of EITI implementation to the forestry sector. Development partners praised this expansion to forestry, noting that the sector faced many similar challenges to mining.</p> <p>The CAR's 2021-2024 EITI work plan describes two key legal barriers to EITI implementation: confidentiality provisions that prevent the disclosure of contracts and licenses, and the lack of an enabling legal framework to establish a public beneficial ownership register. The work plan includes only general activities related to "overcoming obstacles" in these two areas, but without more specificity in the actions planned to address these legal barriers. The work plan does not refer to plans to reform the country's Mining Code, for instance. This is also the case in the 2024-2025 work plan.</p> <p>The CAR's 2021-2024 and 2024-2025 work plans only include one general activity planned for the third quarter of each year, to organise workshops to follow up on recommendations from EITI reporting. However, the work plans do not include actionable, timebound or measurable activities to follow up on EITI recommendations.</p> <p>The CAR's 2021-2024 work plan includes general references to work on contract disclosure and beneficial ownership transparency, but only includes activities related to taking steps to lift any legal constraint on the publication of this information, rather than more actionable plans. The 2024-2025 work plan includes more specific activities related to engaging a consultant to prepare a study on contract disclosure, and a consultant to prepare a beneficial ownership roadmap.</p> <p>The CAR's 2021-2024 work plan includes costings of all activities and identifies the source of funding for all but 15 of the activities listed. The 2021-2024 work plan indicates a budget of around XAF 150m per year (around USD 270,000). The government budget is identified as the source of funding for all activities in the 2021-2024 work plan. The work plan identifies needs for (unspecified) technical assistance for some capacity building activities. The 2024-2025 work plan increases the proposed budget to XAF 440m (around USD 724,000), of which only XAF 118.4m is expected to come from the state and the remaining 326m from development partners like the World Bank and AfDB.</p>
<p>Public debate (Requirement #7.1)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 7.1 is partly met. The MSG's 'Outcomes and impact' template considers that the objective of enabling evidence-based public debate on extractive industry governance through active communication of relevant data to key stakeholders in ways that are accessible and reflect stakeholders' needs is partly met. While most stakeholders consulted did not express views on progress towards this objective, several government and industry stakeholders explained that the primary focus of CAR EITI had not been on outreach and dissemination, given the need for stakeholders involved in the MSG to understand the EITI process better and financial resource constraints that hindered more proactive</p>

	<p>outreach to broader constituencies. Several CSOs consulted considered the objective in process of being fulfilled given civil society's regular engagements on radio broadcasts to raise awareness about the EITI process. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as still far from being fulfilled, given the very limited number of activities carried out by the MSG and the three constituencies related to EITI outreach and dissemination in the period under review.</p> <p>In its comments to the draft Validation report, the MSG acknowledges that public debate is limited because of the low capacity of MSG members on governance and EITI issues. The MSG reinforced the message that this is due to financial constraints and called to the International Secretariat to support them to mobilise funding.</p> <p>The CAR EITI website has published the four reports published since the country's suspension was lifted in October 2021, including the 2020 EITI Report published in January 2020, the contract and license transparency report and the 2016-2019 EITI Report published in December 2022 and the 2021 EITI Report published in December 2023. Although the CAR EITI website was not operational until 2022, the Ministry of Mines website has published the EITI Reports online in the meantime. None of these EITI Reports have been broken down into thematic reports to date, however. There is little documentation available online or in the MSG's Validation templates about EITI dissemination events held to raise awareness and facilitate dialogue on the governance of extractive resources, beyond annual high-level EITI Report launch conferences held in December 2022 and December 2023. Prime Minister Felix Moloua chaired the 2021 EITI Report's launch conference in December 2023, where he pledged that the report would be discussed by the Council of Ministers according to local press coverage, which was done in March 2024. At the event, National Coordinator Moïdokana shared highlights of the 2021 EITI Report.</p> <p>The CAR EITI MSG has not agreed a communications strategy to date. The MSG's 'Outcomes and impact' template noted plans for the translation of EITI Reports in the Sango local language, although stakeholder consultations confirmed this had not yet been completed as of May 2024. There do not yet appear to be any plans to produce summaries of EITI Reports to improve their accessibility to key target stakeholder groups. The events held by CAR EITI for stakeholders beyond those directly represented on the MSG have focused on the mechanics of EITI reporting rather than to spread awareness of and facilitate dialogue about governance of extractive resources. For instance, CAR EITI held a workshop in July 2023 to build material companies' capacities to complete and submit EITI reporting templates, based on minutes published on the CAR EITI website. Many stakeholders from all constituencies called for more training events to be held to build capacities of stakeholders in all three constituencies about the EITI process. While several CSOs consulted noted that civil society was often invited to radio broadcasts to raise awareness about the EITI process, they explained that they had not documented these engagements to date. Some industry representatives consulted noted that they did not conduct particular outreach or dissemination of EITI findings aside from their normal contacts with their broader constituency.</p> <p>There is evidence of public debate about extractive industry governance in the CAR, but little evidence of the EITI process supporting this public debate. For instance, during the campaign on constitutional reforms in the first half of</p>
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	<p>2023, the media reported robust public debate over plans to remove Article 60 of the 2016 Constitution related to parliamentary oversight of extractives contract from the new Constitution. However, there is no documented evidence of use of EITI findings to support this debate, nor of stakeholders substantially engaged in the EITI process engaging in this debate.</p>
<p>Data accessibility and open data (Requirement #7.2)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 7.2 is partly met. The MSG's 'Outcomes and impact' template considers that the objective of enabling the broader use and analysis of information on the extractive industries, through the publication of information in open data and interoperable formats is mostly met. Stakeholders consulted did not express any views about progress towards this objective. The International Secretariat's view disagrees with the MSG's self-assessment in considering the objective as still far from being fulfilled. While the importance of publishing data in open format is lower in the CAR given weak internet connection, other efforts to improve the accessibility of data through active outreach and dissemination have been very limited in the period under review (see <i>Requirement 7.1</i>). In its comments to the draft Validation report, the MSG notes that given the efforts of a recent capacity building workshop (June 2024) it views that the objective of this requirement has mostly been met. Given the lack of results in terms of more available datasets, the International Secretariat maintains that this Requirement is only partly met.</p> <p>The lack of publication of most CAR EITI data (in both summary and full data sets) in open format is a weakness, notwithstanding the MSG's recent adoption of a CAR EITI open data policy.</p> <p>At its 28 March 2024 meeting, the MSG agreed an open data policy for CAR EITI, which is published on the CAR EITI website. The policy defines the terms for release, use and reuse of CAR EITI data. However, while summary data files had been prepared for older EITI Reports covering 2006-2010 (prior to the CAR's suspension in 2013), none of summary data files for the years (2016-2021) covered by the CAR's EITI reporting since the lifting of its suspension in 2021 have been prepared to date. The CAR EITI website has published the annexes to the 2020 EITI Report in open format, but not those of the 2021 EITI Report, although the open format version of the 2021 annexes were published on the Ministry of Mines and Geology website in late March 2024. Thus, the majority of the CAR's EITI disclosures since 2021 have not yet been made publicly available in open format. While there has been little improvement in systematic disclosures of EITI data to date, the CAR EITI 2024-2025 work plan includes a specific objective (number 3) on integrating EITI data in routine government disclosure systems.</p>
<p>Recommendations from EITI implementation (Requirement #7.3)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 7.3 is partly met. The MSG's 'Outcomes and impact' template considers that the objective of ensuring that EITI implementation is a continuous learning process that contributes to policymaking is mostly met. Some government stakeholders consulted considered that the objective was still far from being achieved, but that there was open debate about delays in following up on recommendations from EITI reporting. The International Secretariat's view agrees with those government stakeholders in considering the objective as still far from being fulfilled, given the ad hoc approach to following up on EITI recommendations, driven by government mandate rather than genuine multi-stakeholder oversight. In its comments to the draft report, the MSG noted that there are already steps underway to implement recommendations, for example with</p>

	<p>regards to the mining cadastre and that other recommendations will be taken forward.</p> <p>There were a total of eight recommendations in the 2020 EITI Report and 14 recommendations in the 2021 EITI Report. The 2021 EITI Report does not include a section the IA's review of the status of follow-up on recommendations from the 2020 EITI Report, indeed many of the same recommendations were maintained in both reports. The IA explained that there had been little follow-up on recommendations from the 2002 EITI Report by the time of preparing the 2021 EITI Report. There does not appear to be a multi-stakeholder mechanism for following up on EITI recommendations. A status update of CAR EITI 2021-2023 work plan activities was published on the CAR EITI website In 2024, although this does not cover the status of individual EITI recommendations. The MSG's 'Outcomes and impact' template describes the mechanism as consisting of the senior government officials designating ministries and agencies to follow up on specific EITI recommendations relevant to them. According to a minute of Minister of Mines and Geology Benam Beltoungou's meeting with CSOs in October 2023, all recommendations from the 2020 EITI Report aside from that related to publishing extractive contracts could not be followed up on pending finalisation and enactment of the long-planned new Mining Code, which was yet to be enacted in May 2024. Yet there is little evidence of MSG discussions of follow-up on recommendations from EITI Reports as recorded in meeting minutes on the CAR EITI website. The April 2023 minutes only record a presentation by civil society of the recommendations in the 2020 EITI Report, albeit without much description of the substance of the meeting or the nature of civil society members' input. In its comments, the MSG said that it had taken note of the International Secretariat's observations and indicated that the recommendations were being implemented step by step, taking into account the government's resources. According to the MSG, implementation of recommendations undertaken with the assistance of the World Bank on the mining cadastre, is underway.</p> <p>While there appear to have been some reforms partly as a result of the EITI process in the period under review, there does not seem to have been a mechanism for EITI implementation to lead to such outcomes and impacts. For instance, several clauses in the draft new Mining Code are reportedly related to the EITI process, such as provisions for the public disclosure of contracts and beneficial owners, the inclusion of these clauses appears due to the engagement of certain EITI stakeholders in the reform process, rather than as a result of the MSG's mechanism for following up on EITI recommendations. A development partner noted that it was helpful that the Minister National Coordinator of the EITI was also the person leading the technical committee on the new Mining Code, which enabled him to include references to EITI Requirements on beneficial ownership transparency among others. The International Secretariat notes that the Mining Code, which was adopted in August 2024, does contain some provisions requiring newly concluded contracts to be published and information on beneficial ownership to be submitted. However, the provisions are only partially reflected, as it does not specify that contracts that were amended are also to be published. Art 21 requires the submission of beneficial ownership information to applicants, but not its publication, which is a key shortcoming of the new provision. Stakeholder consultation found (as noted above) that the changes in the Mining Code are not a result of advocacy from the MSG.</p>
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<p>Review the outcomes and impact of EITI implementation (Requirement #7.4)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 7.4 is mostly met. The MSG's 'Outcomes and impact' template considers that the objective of ensuring regular public monitoring and evaluation of implementation, including evaluation of whether the EITI is delivering on its objectives, is mostly met. Several stakeholders consulted from government, industry and civil society considered that the EITI had led to impacts and that the objective of Requirement 7.4 was in the process of being fulfilled. The International Secretariat's view agrees with national stakeholders in considering the objective as in the process of being fulfilled, even if the process for MSG review of outcomes and impact should be strengthened in broadening consultations with the wider constituencies and ensuring at least annual publication of the results of the MSG's outcomes and impact review. The MSG's annual review of outcomes and impacts should inform refinements of in the CAR EITI's annual work planning. In its comments to the draft report, the MSG noted that it has taken a two-step approach, whereas in the first phase only MSG members were consulted, and that this will be broadened to stakeholders outside of the EITI in a second step and that the need for annual review is noted.</p> <p>Right before the start of this Validation at its 28 March 2024 meeting, the MSG adopted three annual progress reports covering 2021, 2022 and 2023, published on the CAR EITI website. However, these (short) annual progress reports only recall the objectives of the CAR EITI work plan and provide a general update on execution of activities. The only commentary included on the impact of EITI implementation relates to the EITI being a driving force for the publication of extractive contracts, which the report states is "in process", and that this will lead to an opening of the sector to public debate. The extent to which such limited commentary reflects the views of the three broader constituencies is unclear, given that the level of consultations involved in producing these annual progress reports is unclear. Consulted stakeholders did not highlight engagement with the broader constituencies in developing the three annual progress reports but confirmed that the MSG had approved them in late March 2024. Many stakeholders consulted described outcomes and impacts of EITI implementation to date, but did not note that this was the focus of discussions of the MSG since 2021.</p>
<p style="text-align: center;">Corrective actions and recommendations</p>	
<ul style="list-style-type: none"> • In accordance with Requirement 1.5, the Central African Republic should ensure that its EITI work plan is updated on an annual basis and made widely available. The Central African Republic's EITI work plan should set EITI implementation objectives that are linked to the EITI Principles and reflect national priorities for the extractive industries. The EITI work plan should reflect the results of consultations with key stakeholders, including members of the broader government, industry and civil society constituencies. The EITI work plan should identify and outline plans to address any potential legal or regulatory obstacles to EITI implementation, including, if applicable, any plans to incorporate the EITI Requirements within national legislation or regulation. The EITI work plan should outline the MSG's plans for implementing the recommendations from EITI implementation and Validation, and outline plans for disclosing contracts in accordance with Requirement 2.4 and beneficial ownership information in accordance with Requirement 2.5, including milestones and deadlines. • In accordance with Requirement 7.1, the Central African Republic should ensure that EITI findings are widely accessible and distributed. The Central African Republic should ensure that EITI information is comprehensible, including by ensuring that it is written in a clear, accessible style and in appropriate languages and consider access challenges and information needs of 	

different genders and subgroups of citizens. The Central African Republic should ensure that EITI-related 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. To strengthen implementation, the Central African Republic is encouraged to produce brief summaries of EITI Reports to cater to the needs of key target stakeholder groups.

- In accordance with Requirement 7.2, the Central African Republic should make all EITI data available in an open data format online and publicise its availability. Open data format means that data can be made accessible in CSV or Excel format and should contain all tables, charts and figures from EITI Reports. To strengthen implementation, the Central African Republic could work with relevant government entities and extractive companies to ensure that systematically disclosed data is machine readable and inter-operable, so that EITI disclosures and other data files are coded and tagged to make it comparable with other publicly available data.
- In accordance with Requirement 7.3, the Central African Republic should ensure that EITI implementation is a continuous learning process that contributes to policy-making, based on the MSG regularly considering findings and recommendations from the EITI process and acting on those recommendations it deems are priorities. The CAR EITI should establish a robust and publicly accountable mechanism for follow-up on recommendations resulting from EITI implementation and Validation, particularly recommendations for strengthening government systems and natural resource governance.
- In accordance with Requirement 7.4, the Central African Republic should document its annual review of impact and outcomes of EITI implementation in an annual progress report or through other means agreed by the MSG. All stakeholders should be able to participate in reviewing the impact of EITI implementation. Civil society groups and industry involved in the EITI, particularly, but not only, those serving on the multi-stakeholder group, should be able to provide feedback on the EITI process and have their views reflected in the annual review of impact and outcomes. The annual review of impact and outcomes must include a narrative account of efforts to strengthen the impact of EITI implementation on natural resource governance, including any actions to extend the detail and scope of EITI reporting or to increase engagement with stakeholders. The annual review of impact and outcomes should also describe the rationale for the government and MSG's decisions not to implement a recommendations from EITI reporting or Validation, where such decisions have been made.

3. Stakeholder engagement

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

Progress by requirement and corrective actions

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

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Government engagement (Requirement #1.1) <i>Fully met</i>	<p>The Secretariat's assessment is that Requirement 1.1 is fully met. The MSG's 'Stakeholder engagement' template considers that the objective of full, active and effective government lead for EITI implementation, both in terms of high-level political leadership and operational engagement, is fully met. The MSG supports this assessment by highlighting the state's re-engagement to lift the suspension, the seniority (Prime Minister) of the MSG chair, and the state's funding of the EITI process, including EITI reporting.</p> <p>Several stakeholders consulted from government, civil society and development partners considered that the objective was fulfilled given the government's strong, consistent and high-level engagement in the work of the MSG. The International Secretariat's view agrees with national stakeholders in considering the objective as fulfilled, given the seniority of the government's engagement and the resources devoted to EITI given the government's severe fiscal constraints, even if certain operational weaknesses in the government's engagement have constrained multi-stakeholder oversight over all aspect of EITI implementation (see <i>Requirement 1.4</i>).</p> <p>In its comments to the draft Validation report, the MSG highlighted that the government's commitment is illustrated by the publication of some contracts and the inclusion of provisions relating to the implementation of the EITI in the new Mining Code. The new Mining Code includes provisions requiring applicants and license holders to declare their beneficial owner, a ban for PEPs to participate directly or indirectly into mining operations, and the publication of newly concluded contracts – a provision which had been removed from the Constitution (art. 60) .</p> <p>There have been regular statements of engagement and support for the EITI from senior government officials in the CAR since President Faustin-Archange Touadéra addressed the EITI's 8th Global Conference in person in Paris in June 2019, including when Prime Minister Félix Moloua chaired the MSG's 9 April 2022 meeting and opened the 2021 EITI Report's launch event in December 2023. Prime Minister Henri-Marie Dondra had previously chaired the MSG's 9 August 2021 meeting. Minister of Mines and Geology Leopold Mbolli Fatran participated in the 9th EITI Global Conference in Dakar in June 2023 and reiterated President Touadéra's commitment to the EITI. The justification of the CAR's commitment to the EITI has consistently been framed around the state's efforts against illicit financial flows, the financing of terrorism, and the illegal exploitation of the country's natural resources.</p> <p>There has consistently been a senior government lead appointed as EITI champion given the Prime Minister's <i>ex qualite</i> appointment as MSG Chair, with the Minister of Finance and Budget serving as Deputy Chair. However, in</p>

	<p>practice, the MSG's 'Stakeholder engagement' template explains that the chairing of MSG meetings can be delegated to other senior government officials in case the MSG Chair and Deputy Chair are unavailable, although this appears to always consistently be at a Ministerial level (e.g. the Minister of Communications and Media in November 2023). The EITI government lead appears to have the confidence of all stakeholders, although the availability to all constituencies is unclear. The National Coordinator, Robert Moïdokana, has been in position since 2007 and holds the rank of Minister for the EITI. The National Coordinator appears to be accessible to all constituencies and to have the trust of stakeholders.</p> <p>There is evidence that the government has provided some operational leadership of the EITI process, although there appear to be weaknesses in data disclosures by government entities (see <i>Requirement 4.1</i>), opportunities for the government to take further actions to overcome barriers to EITI implementation (see <i>Requirement 7.3</i>), and scope for further expansion in technical and financial resources allocated to the EITI given budget constraints, whether from the government directly or facilitating support from development partners. Yet the government is strongly represented on the MSG at a very senior level, including from ministries whose relevance to the EITI process is unclear. In accordance with the government decree (16.318) of 29 August 2016 institutionalising the EITI, the appropriate government representatives hold seats on the MSG, including five Ministers⁵ alongside the Prime Minister and Minister of Finance and Budget as MSG Chair and Deputy Chair, eight Directors-General of relevant government agencies⁶, the Inspector-General of Finance, two Parliamentarians, and the representative of the Supreme Audit Institution (SAI - <i>Cour des Comptes</i>).</p> <p>Government attendance at MSG meetings appears to have been broadly consistent throughout the 2021-2024 period, even if the number of MSG meetings has been lower than planned in the MSG's governance documents (see <i>Requirement 1.4</i>). The government constituency held five separate meetings in June-July 2021 to prepare for the MSG's request for the EITI Board to lift the CAR's suspension and to agree on national priorities for the 2021-2024 EITI work plan. Review of MSG meeting minutes indicates that government representatives actively engage in the MSG's work, including through input to the scoping of applicable EITI Requirements in 2021 and issuing a letter from the Minister of Mines confirming the absence of extractive SOEs. Likewise, there is evidence of government representatives attending annual launch events for the EITI Report since 2021, but little evidence of the government independently promoting EITI findings and information aside from highlighting the government's engagement in the EITI as part of its engagements with international partners, in the MSG's 'Outcomes and impact' template (see <i>Requirement 7.1</i>).</p> <p>There have been weaknesses in translating the senior engagement in the MSG into effective engagement in the technical aspects of EITI reporting. The government's provision of data for EITI reporting has faced considerable</p>
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⁵ The five Ministers represented on the MSG alongside the MSG Chair and Deputy Chair are the Minister of Economy, Planning and International Cooperation, the Minister of Energy and Hydraulic, the Minister of Environment, Sustainable Development, Water, Forestry, Hunting and Fishing, the Minister of Commerce and Industry, and the Minister of Communication.

⁶ The MSG includes as members the Director General of Treasury and Public Accounting, the Director General of Taxes and Lands, the Director General of Customs and Indirect Duties, the Director General of Budget, the Director General of Water and Forestry, the Director General of Mines, the Director General of Petroleum, and the Director General of Commerce, Competition and Consumption.

	<p>challenges in the EITI Reports published since 2021 (covering 2016-2021). Although the four revenue-collecting government entities in the mining and petroleum sector submitted reporting templates for the three EITI Reports published (2016-2019, 2020, and 2021), none of the entities comprehensively provided all disclosures required of them in the reporting templates, nor the quality assurances agreed by the MSG for government's EITI reporting (i.e. including the detail of data requested, with certification from the SAI). As a consequence, the EITI Reports include a statement from the IA that the reconciled financial data on government revenues disclosed in the EITI Reports is neither comprehensive nor reliable (see <i>Requirements 4.1 and 4.9</i>). Some stakeholders consulted explained that weaknesses in data disclosures by government entities was partly due to high staff turnover in the ministries. The Secretariat considers weaknesses in government data disclosures as more linked to the weak institutional framework in the CAR rather than a reflection of weaknesses in government commitment.</p> <p>The Secretariat also notes that Article 60 was deleted from the 2023 Constitution, having been added in 2016. While the Secretariat sees this as a step backwards in terms of transparency, civil society believes that the draft mining code includes a provision on contract transparency that could be more effective.</p> <p>The government has consistently provided funding for the EITI process since 2021, despite significant fiscal constraints and the low level of revenues from the mining and oil sectors (USD 2.6m in 2021). The MSG's 'Stakeholder engagement' template highlights the consistent budget line of XAF 100m (around USD 160,000) in each annual government budget in the 2021-2024 period. The government has resourced the CAR EITI Secretariat to support the MSG's work, covering the secretariat staff salaries and office costs in-kind. The government has provided some support to civil society, including developing an EITI website administered by civil society in 2023. This government funding is in the context of severe fiscal constraints: usually relying on donor funding for around 60% of its budget, the government has faced the suspension of budget support from the World Bank and European Union in 2021. However, the three CAR EITI annual progress reports covering 2021, 2022 and 2023 all state that the government does not provide sufficient funding for all work plan activities that are necessary to progress against all EITI Requirements. Some government officials consulted noted that the funding available for EITI implementation covered production of the EITI Report and maintaining the CAR EITI website, it did not extend to outreach and dissemination. Government officials also highlighted the significant economic and security challenges facing the government amidst budget constraints, which constrained the resources available for the EITI process. The Secretariat considers that, while insufficient to cover all aspects of EITI implementation, the government has provided as many technical and financial resources within its disposal, including designating the CAR EITI National Coordinator with a ministerial rank.</p> <p>Thus, while more could be done to translate the government's high-level leadership of the EITI process into operational engagement at the technical level throughout the process, the Secretariat considers that this reflects broader weaknesses in technical and financial capacities in the country rather than a reflection of weaknesses in government engagement.</p>
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<p>Industry engagement (Requirement #1.2)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 1.2 is mostly met. The MSG's 'Stakeholder engagement' template considers that the objective of full, active and effective industry engagement in all aspects of the EITI, both in terms of disclosures and participation in the work of the MSG, is mostly met. Stakeholders consulted from all constituencies considered that the objective was fulfilled in the unique context of the CAR with a predominantly artisanal and semi-mechanised mining sector. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as mostly met, given the inadequate mechanisms for coordinating the broader constituency of mining companies, artisanal miner cooperatives, buying houses as well as the larger holders of large-scale exploration and production licenses.</p> <p>The MSG emphasises in its response to the draft Validation report that the government is committed to organising fortnightly meetings with extractive and forestry companies to regularly review all issues related to EITI implementation.</p> <p>Much of the extractive industries, particularly mining, remain dominated by artisanal and semi-mechanised activities, as noted consistently in all of the CAR's EITI Reports and the MSG's Validation templates. The 2016 decree institutionalising the EITI lists six representatives for industry, including one representative each from companies in mining, petroleum and forestry, from the mineral buying houses, from the artisanal mining cooperatives and from the Chamber of Commerce. All industry MSG members appear to have been appointed in 2016, without renewals since then according to the MSG's 'Stakeholder engagement' template. The selection process for industry MSG representatives appears to have been driven by government, which convened meetings with each sub-constituency for them to select their MSG members (as appears reflected in the official letters nominating industry MSG members). Industry stakeholder consultations confirmed that the process was relatively informal, with a meeting of buying houses convened to select the representative to the MSG. Although there were dozens of buying houses registered with the government, only around five were actively exporting in practice, which simplified the selection process. Stakeholders explained that, while the MSG nomination procedure was not codified publicly, there were minutes of the nomination meeting even if these had not been published. There has been attrition of industry MSG members in practice since 2016, with the two Chinese oil and gas companies having left the country several years ago and elderly representatives facing health issues.</p> <p>Coordination of the industry constituency appears to be relatively ad hoc. Industry MSG members consulted explained that they canvassed individual members of their constituency for input, rather than larger meetings to discuss the EITI. The industry constituency held four meetings in July 2021 to gather input to the development of the national priorities for the CAR EITI work plan, although the minutes of the meetings do not identify any input from the broader constituency to the substantive items of the CAR EITI work plan. The industry constituency's meetings appear to have all been initiated by government invitations, for instance when the Minister of Mines and Geology invited companies to attend a national workshop in October 2021 on the proposed reforms to the Mining Code. In addition, the industry constituency appears to have held three meetings (one each in 2021, 2022 and 2024), whose minutes are published on the CAR EITI website. At the October 2021 meeting, mining cooperatives representatives met with Ministry of Mines</p>
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	<p>officials as part of the government's awareness-raising around the EITI. At the March 2022 meeting, a working group of government and mining industry representatives was established to review diamond quality and pricing standards for export. At the January 2024 meeting, CAR EITI Secretariat staff presented the Validation procedure to industry and encouraged the constituency to demonstrate its engagement in the EITI. Beyond these meetings, it is unclear whether and how the industry constituency coordinates as a whole on the EITI process. Industry MSG members consulted noted that Chinese and Russian mining companies were not represented in the EITI industry constituency.</p> <p>The MSG's 'Stakeholder engagement' template states that the industry constituency is involved in disseminating EITI Reports to companies that are not directly represented on the MSG. However, the template also notes that the constituency's primary communication priority has been to advocate for the lifting of the Kimberley Process and EITI suspensions of the CAR, rather than more proactive communications with national stakeholders.</p> <p>The CAR has faced challenges in ensuring comprehensive EITI reporting by all material companies included in the scope of EITI implementation since 2021. In the 2016-2019 EITI Report, only one of the 16 material mining companies, six of the 13 material mineral buying houses, neither of the two material mining cooperatives and all three material oil and gas companies participated in EITI reporting. The 2020 EITI Report was produced on the basis of 'flexible' EITI reporting, on the basis of unilateral government disclosures without company reporting of their payments to government. In the 2021 EITI Report, the level of industry reporting increased to 11 of the 16 material mining companies and two of the three material oil and gas companies. However, the weaknesses in company reporting in 2021 meant that only around half (56.29%) of government mining revenues could be reconciled. Stakeholder consultations did not indicate that companies or government officials followed up with the material companies that did not participate in the 2021 EITI Report.</p> <p>The MSG's 'Stakeholder engagement' template argues that there are no government legal, regulatory or administrative constraints on companies' engagement in EITI reporting. Rather, the template only argues that the Kimberley Process embargo on most diamond exports from the CAR poses a barrier to company engagement given that it disincentivises the diamond buying houses. Both the MSG's template and industry stakeholder consultations highlighted that companies consider that they can influence public decision-making on extractive industry governance, for instance through its input to the proposed reforms to the Mining Code in 2021. However, when discussing the removal of Article 60 of the 2016 Constitution related to parliamentary oversight of extractive contracts, most stakeholders consulted noted that this was simply the will of the people expressed through the 2023 constitutional referendum.</p>
<p>Civil society engagement (Requirement #1.3)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 1.3 is partly met. Although the MSG's 'Stakeholder engagement' template considers that there is an enabling environment for civic space and that the objective of full, active and effective civil society engagement in all aspects of the EITI is fully met the International Secretariat's finding based on broad stakeholder consultations, and informed by the findings of an external expert, is that there is a pattern of government constraints on civil society's freedoms of expression and of</p>

	<p>association. The Secretariat's assessment also considers the constituency's technical and financial capacity constraints, and weak links between Bangui-based CSOs and their constituents, particularly in mining areas.</p> <p>While the MSG agrees with the description of the situation in Annexe C of the draft report, it does not come to the same conclusion on its implications. In its comments to the draft Validation report the MSG strongly affirms that there are no constraints on civil society's freedom to operate in the context of EITI implementation. On the limitation on the freedom of movement, the MSG notes that access a mining site requires a permit to travel⁷ delivered by the Ministry of Mines. The MSG highlights that the government objective is to limit the movement of citizens with the aim of protecting them against violence, given that the Ndassima mine and others are located in conflict zones. In its comments the MSG also noted its agreement on the finding that civil society lacked technical capacity on questions of governance of the extractive industries. The International Secretariat however notes the findings from consultations with civil society organisations that are specialised in the mining sector and notes that those have not been solicited by the CSOs on the MSG, nor asked to put forward a nomination for an MSG seat.⁸ The MSG adds that it is for lack of financial means that civil society did not carry out any activities related to the EITI. The MSG requests that therefore the International Secretariat should tailor the Validation to take into account the national context of a post-conflict country.</p> <p>Broader context: International assessments of broader civic space in the CAR have remained relatively constant in the 2021-2024 period, with the country's ranking in Freedom in the World declining modestly from 10/100 to 7/100 while its ranking by CIVICUS improved marginally from 'closed' to 'repressed.' Having declined markedly in the 2016-2019 period, the CAR's rating by Reporters without Borders (RsF) remained relatively constant at 98/198 in 2023. The international civic space rankings highlight the continuation of bans on public demonstrations, criminalisation of press offenses and human rights abuses by the state armed forces and their military contractors, combined with pressure, threats, violence and cyber-harassment against journalists in the country on the part of both government officials and non-state actors.</p> <p>Expression: Whereas the CAR's 2016 and 2023 Constitutions protect freedom of expression, international civic space rankings highlight restrictions in practice, with reprisals resulting from public expressions critical of the government by both state and non-state armed groups. Prosecutions under criminal defamation provisions of the 2020 Law on Freedom of Communication have targeted journalists and civil society activists. There appear to be extractive industry issues considered too sensitive to discuss in public, including the ownership and operations of the country's sole large-scale industrial mining license for the Ndassima gold mine. There is evidence of public statements by CSOs related to extractive industry governance, although the only critical views appear to be focused on the Kimberley Process and EITI suspensions and embargos on the country's extractive industries. The Secretariat considers that there is evidence of breaches of the EITI protocol: Participation of civil society related to freedom of expression. The external expert who assessed Civil Society protocol in CAR context, came</p>
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⁷ 'authorisation de circulation'

⁸ See the external expert report on civil society, p. 6 ('Assessment of Requirement 1.3 of the EITI Standard on the Validation of the Central African Republic', IPIS, July 2024.

	<p>to similar conclusions. The expert noted that there were limited opportunities for critical voices to be expressed, and that there were also restrictions on their freedom of expression through arrests and intimidation which sometimes led to self-censorship. One example cited is a civil society representative who was held in custody, interrogated and denied travel for her research on minerals. The external expert also noted an increase in repression against journalists investigating mining issues. The lack of CSO engagement on critical issues related to mining governance, such as sector reforms, omission of Article 60 in the Constitution, and ownership of a mining company were considered by the expert as signs of self-censorship.</p> <p>Operation: The CAR's 2016 and 2023 Constitutions protect freedom of operation. The legal framework for establishing NGOs is a regime of declaration, without requirements for official state registration of CSOs. There do not appear to be government constraints on CSO establishments, functioning, access to funding or ability to communicate within the constituency. Despite some international NGOs' general allegations of illegal state surveillance of some journalists, there is no evidence that CSOs engaged in the EITI process have faced such constraints in 2021-2024. While civil society appears to face significant technical and financial capacity constraints, these appear to be due to the availability of funding for CSOs rather than state constraints. However, there is evidence that armed groups supporting the state security forces have obstructed civil society access to key mining sites such as Ndassima in recent years. The external expert confirmed this and noted in his report that CSO representatives said they could go around Ndassima area to interview local inhabitants discreetly but that it would be too dangerous to make a proper investigation. The Secretariat considers this as restriction on freedom of movement which constitutes breach of the Civil Society Protocol.</p> <p>Association: The CAR's 2016 and 2023 Constitutions protect freedom of association. Yet international civic space rankings highlight restrictions in practice, with bans on public demonstrations by groups considered political opponents and violent repression of some demonstrations since 2013.</p> <p>The external expert mentioned that CSOs both outside and inside the EITI-CAR do not report having experienced any legal restriction or intimidation against their right to collaborate and communicate with each other. The Secretariat's assessment, however, is that while the CSOs engaged in the EITI process appear to be able to collaborate in relation to EITI activities, such engagement appears to take place only in the capital Bangui, not in other cities or mining areas. In fact, access to some mining areas have been restricted. Therefore, the Secretariat concludes that restrictions on access to mining sites where issues on resource governance take place and where public debates should happen, affect civil society's freedom of association in these areas and therefore constitute a breach of the CSO protocol.</p> <p>Engagement: Civil society appears generally able to contribute to MSG discussions and participate in EITI activities, despite their technical and financial capacity constraints. The MSG's 'Stakeholder engagement' template refers to meetings organised by civil society to disseminate information on the EITI process to CSOs not directly represented on the MSG. However, the more substantive civil society discussions appear to have been convened by the CAR EITI secretariat or government. Civil society's input to the EITI process appears to have been focused on the development of the CAR EITI work plan</p>
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	<p>in 2021, the scoping of EITI reporting, procurement of the IA and finalisation of the EITI Report. The constituency has also held meetings on the status of follow-up on EITI recommendations, but has not engaged on other aspects of the EITI process like outreach and dissemination, which the constituency explains as due to its capacity constraints.</p> <p>The external expert similarly concludes that attendance to these numerous meetings demonstrates that the CSO constituency can actively attend and participate in the EITI process.</p> <p>Access to public decision-making: Civil society appears to be able to influence public decision-making on extractive industry governance through its participation in the EITI process. Indeed, civil society has been able to provide input to the development of the reforms to the Mining Code and has been invited to meetings with senior government officials and the parliament to provide its input. Civil society members shared with the Secretariat a copy of the draft Mining Code. There could be room for improvement, however, since civil society's access to public decision-making appears to be determined largely by government, rather than a mechanism for the constituency to access public decision-making according to its own timelines. The external expert noted that access to decision-making appears to be limited to CSOs engaged in the EITI, and not to civil society more broadly. Nonetheless, it is the Secretariat's view that the EITI is creating space for CSO to participate in public decision-making which provides enough basis to conclude that there are no breaches regarding this aspect of the Civil Society Protocol.</p> <p>Assessment: The Secretariat's assessment is that there have been breaches of the EITI protocol: Participation of civil society related to freedoms of expression, operation, and of association in the 2021-2024 period. These constraints relate to reprisals and intimidation of civil society expressing critical views of government's management of the extractive industry, which creates credible concerns over civil society self-censorship on issues directly related to the EITI process. The constraints also relate to bans on holding civil society events in certain areas, including key mining areas of the country. Despite these constraints, civil society has been able to make contributions to the EITI process, even if such contributions appear to come from the core group of CSOs directly represented on the MSG and based in the capital Bangui. The links between Bangui-based CSOs and their constituents in other cities and mining areas appear weak and there has been no EITI-related outreach and dissemination to areas hosting extractive industries to date. The constituency faces significant technical and financial constraints that, together with government constraints on expression and association, hinder its ability to be fully, actively and effectively engaged in all aspects of the EITI process.</p>
<p>Multi-stakeholder group (Requirement #1.4)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 1.4 is partly met. The MSG's 'Stakeholder engagement' template considers that the objective of an independent MSG that can exercise active and meaningful oversight of all aspects of EITI implementation that balances the three constituencies' interests in a consensual manner, is fully met. Several stakeholders consulted from government and civil society considered that the objective was fulfilled. The International Secretariat's view disagrees with national stakeholders in considering the objective as still far from being fulfilled, given the infrequency of MSG meetings compounded by the lack of technical multi-stakeholder</p>

	<p>working groups to oversee the technical aspects of EITI implementation. The MSG's focus on compliance with the EITI Standard, rather than governance challenges in the extractive industries that are the subject of vigorous debate internationally, has hindered progress towards the objective to date. The MSG emphasises in its response to the draft Validation report that it is aware of the governance challenges and that the decree reorganising the EITI will be revised to strengthen implementation. At the same time the MSG maintains that the current model has not hindered meaningful implementation.</p> <p>The Presidential Decree (16.318) of 29 August 2016 institutionalising the EITI sets out the structure and functioning of the MSG, which includes 17 representatives from government (including parliamentarians), seven from industry and 11 from civil society, alongside the Prime Minister as MSG Chair and Minister of Finance as MSG Deputy Chair. The EITI Decree appoints <i>ex qualite</i> a total of 15 of the government's 19 MSG members and names the institutions from which one of the seven industry members and eight of civil society's 11 members should be appointed from. The appointments of MSG members are for five years renewable (without limit). In practice however, the MSG's 'Stakeholder engagement' lists only 34 members (not 37 as in the Decree), including 22 from government, four from industry and eight from civil society.</p> <p>The EITI Decree does not provide further guidance on the MSG nominations procedures, but the MSG's 'Stakeholder engagement' template explains that MSG members not named <i>ex qualite</i> are appointed by their peers in a process initiated by a letter from the Prime Minister or EITI National Coordinator. The minutes of the respective general assemblies appointing the respective MSG members are required to be attached to the nomination letters sent to the Prime Minister, who then starts the process for a Presidential Decree confirming the MSG appointments. The MSG's 'Stakeholder engagement' template confirms that the same process applies to MSG member replacements.⁹ The appointments of most MSG members date to the Presidential Decree (16.375) confirming the current MSG's appointments in November 2018.</p> <p>For government, the nominations of 15 of the 19 MSG members is <i>ex qualite</i> by the EITI Decree, while the other six members (including two from Parliament) are nominated by their respective hierarchies. The letters soliciting the appointments to the MSG of government members not appointed <i>ex qualite</i> in October 2016-May 2017 are published on the CAR EITI website, as are the Presidential Decrees confirming the appointments. There were two changes in government MSG members not appointed <i>ex qualite</i> due to staff rotations in November 2016 and December 2020 according to the MSG's 'Stakeholder engagement' template.</p> <p>For industry, the EITI Decree names the institution from which one¹⁰ of the seven members is to be appointed. The letters from each company and entity appointing their members to the MSG in September-October 2016 are published on the CAR EITI website. However, there is no industry constituency agreed nominations procedures for the selection of MSG members and the process remained informal, conducted in in-person meetings. In practice, industry stakeholders consulted explained that they convened a meeting of all</p>
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⁹ See for instance the Presidential Decree ([17.203](#)) confirming the replacement of four outgoing MSG members (three from government and one from civil society) in May 2017 as an example of this practice.

¹⁰ Union Nationale des Coopératives Minières de Centrafrique (UNCMCA).

	<p>buying houses in 2016 for instance, from which the one MSG member representing buying houses was selected. There were three changes in industry MSG members (including two in November 2016 and one undated) due to staff rotations, death and a company withdrawing from the country. Worryingly, the MSG's 'Stakeholder engagement' template notes that the two MSG members have not been replaced since November 2016, explaining the lack of replacement of the oil company representative on the MSG by the suspension of activities in the sector. This was confirmed in consultations with industry stakeholders.</p> <p>For civil society, the EITI Decree names institution from which eight¹¹ of the 11 members are to be appointed, and lists three other types of CSOs¹² from which the other three MSG members are expected to be drawn. The MSG's template explains that civil society MSG members are replaced as and when they become unavailable, by letter of appointment with minutes of the meeting appointing the MSG member.¹³ The MSG's 'Stakeholder engagement' template states that each civil society structure organises its own nominations to the MSG according to its own organisational procedures, without interference from government. The letters of each organisation appointing their representatives to the MSG in September-October 2016 are published on the CAR EITI website. There were four changes in civil society MSG members (due to death in three cases and appointment to a government role in the fourth case), all undated in the MSG's template. Two of these have been replaced by new MSG members, while the status of the other two replacements is unclear from the MSG's template. In August 2021, the CSOs engaged in the EITI (attendance list in annexe of the minute unpublished) organised a meeting to agree a code of conduct for the constituency, although it does not appear published to date. While the MSG's 'Stakeholder engagement' template claims that the minutes of the August 2021 civil society meeting records the agreement to reappoint the same civil society members to the MSG, the document itself does not appear to reflect this agreement. Civil society stakeholder consultations confirmed that the same MSG members were reconducted in 2021.</p> <p>There is no evidence that gender aspects have been considered by any of the three constituencies in their appointments to the MSG. According to the MSG's template, five of the MSG's 34 members are women, including three from government and one each from industry and civil society.</p> <p>The 2016 Decree on EITI provides the Terms of Reference (ToR) for the MSG. The Decree cover some aspects of Requirement 1.4.b of the 2016 EITI Standard, they have not been updated to newer provisions of the 2019 EITI Standard linked to gender considerations or a code of conduct. The Decree defines the MSG's roles and responsibilities, which cover all aspects of EITI implementation. Yet while the MSG's template argues that there has been no breach of the EITI Code of Conduct to date, the CAR EITI does not appear to operate any formalised (publicly accessible) code of conduct regulating conflicts of interest. The Decree does not define rules for quorum or minimum</p>
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¹¹ Centre International des Femmes pour l'Action et le Développement, Réseau des Femmes Parlementaires, Conseil Inter ONG en Centrafrique (CIONGCA), Coalition "Publiez Ce Que Vous Payez", Ordre des Avocats, Ordre des Comptables, Plateforme pour la Gestion Durable des Ressources Naturelles et de l'Environnement, Confessions religieuses.

¹² NGOs working on good governance, the independent press, and other sectors covered by CAR EITI.

¹³ See for instance the [minute](#) of a March 2024 meeting at CIONGCA to appoint the NGO's replacement as MSG member, although the attendance list expected in annex is not published.

	<p>attendance for decision-making, although the MSG's template argues that all MSG decisions have been taken by consensus to date.</p> <p>The 2016 EITI Decree does not define the MSG's per diem policy, although this was formalised in Prime Ministerial Decree (004) of February 2017, at XAF 100,000 (around USD 164) per member and meeting. The practice of per diem payments in the period under review is only described in the MSG's 'Stakeholder engagement', which only states that the per diem policy was adhered to in practice with total payments of between XAF 2m and XAF 2.7m, but none of the other public CAR EITI documents (such as the annual progress reports) describe the per diem practices.</p> <p>The 2016 Decree sets the minimum frequency of MSG meetings at two a year, with the possibility of organising additional extraordinary meetings. In practice, the MSG met only six times between October 2021 and April 2024 (including one meeting a year in 2021, 2023 and 2024 and three meetings in 2022). However, the MSG meetings appear to have been well attended and consultations with stakeholders including the IA noted that MSG meetings were at full attendance. The MSG operates a system of ad hoc small working groups to resolve specific issues or develop technical proposals, although the MSG's 'Stakeholder engagement' template emphasise the informal nature of these working groups, that include individuals that are not members of the MSG. These working groups seem to depend on EITI focal points in each government entity, although the list of CAR EITI focal persons is not public. The MSG's template notes that four technical working group meetings were held in the 2021-2024 period. In consultation, the IA noted that it had encouraged the MSG to formalise working groups that could take forward technical issues between MSG meetings. The Secretariat considers that this would be helpful in strengthening multi-stakeholder oversight of the technical aspects of EITI implementation, not least given the senior nature of representation on the MSG, from government in particular.</p> <p>There appear to have been a majority of MSG members present at all MSG meetings. While all meeting minutes have been published on the CAR EITI website, they are not sufficiently detailed to reflect the nature of discussions or the consensus basis of decision-making, although the MSG's template confirms that all MSG decisions in 2021-2024 were taken by consensus. This was confirmed in stakeholder consultations with MSG members. MSG meetings are convened 15 days ahead of time, with documents circulated together with meeting invitations.</p> <p>While the 2016 EITI Decree requires the MSG to maintain oversight over all aspects of the EITI process, review of MSG meeting minutes and the MSG's Validation templates indicate that the MSG's primary focus has been on the procurement of the IA and production of EITI Reports, rather than the design of the EITI process (e.g. through the work plan), outreach and dissemination, or monitoring and evaluation of the EITI (e.g. through annual progress reports). The MSG's 'Stakeholder engagement' template states that the only dissemination activities undertaken by the MSG since 2021 have been the publication of the EITI Reports on the CAR EITI website and the dissemination of EITI Reports and minutes of EITI meetings to relevant entities not directly represented on the MSG. The MSG does not appear to have updated its work plan or prepared annual progress reports until a few days before the commencement of this Validation (see <i>Requirements 1.5 and 7.4</i>). However,</p>
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	<p>consultations with stakeholders including the IA confirmed that there was robust debate between the constituencies on EITI reporting issues.</p> <p>The government has provided in-kind resources to support EITI implementation, through the staffing of the CAR EITI Secretariat. Headed by a National Coordinator with ministerial rank, the secretariat includes a total of three staff.</p>
<p>Corrective actions and recommendations</p>	
<ul style="list-style-type: none"> • To strengthen implementation of Requirement 1.1, the Central African Republic is encouraged to ensure that the government is fully, actively and effectively engaged in all aspects of the EITI process at the operational level, including in the mobilisation of sufficient technical and financial resources for all aspects of EITI implementation covering outreach and dissemination activities, taking steps to overcome barriers to the EITI process, and providing all data required for EITI reporting. • In accordance with Requirement 1.2, the Central African Republic should ensure that companies are fully, actively and effectively engaged in all aspects of the EITI process, including input to the design of EITI implementation and active contributions to EITI-related outreach and dissemination. To strengthen implementation, extractive companies are urged to codify robust constituency coordination procedures to provide genuine channels for consultation and representation within the EITI process of the views of the broader industry constituency. • In accordance with Requirement 1.3, the Central African Republic should ensure that the civil society constituency, not limited to those directly represented on the MSG, are fully, actively and effectively engaged in all aspects of the EITI process. All constituencies in the Central African Republic, particularly the government, should ensure that there are no obstacles to civil society participation in the EITI process or in public debate on extractive industry governance. The government should undertake measures to prevent civil society actors from being harassed, intimidated, or persecuted for expressing views related to oil, gas or mining governance. In the event that civil society actors engaged in the EITI experience threats or harassment for expressing views about the extractive industries or engaging in other EITI-related activities, the government is expected to undertake measures to protect these actors and their freedom of expression. The government, in collaboration with the MSG, is encouraged to consider practical solutions for ensuring that civil society can engage in the EITI freely in all regions of the country. The MSG is encouraged to regularly monitor developments regarding civil society's ability to engage in the EITI. In accordance with the EITI protocol: Participation of civil society, civil society MSG members are encouraged to bring any ad hoc restrictions that could constitute a breach of the protocol to the attention of the MSG. The government, in collaboration with the MSG, should document the measures it undertakes to remove any obstacles to civil society participation in the EITI. • In accordance with Requirement 1.4, the Central African Republic should ensure that the multi-stakeholder group comprises appropriate stakeholders from each constituency. Each stakeholder group must have the right to appoint its own representatives, bearing in mind the desirability of pluralistic and diverse representation. The nomination process must be independent and free from any suggestion of coercion. The Central African Republic should ensure that the invitation to participate in the group is open and transparent. The multi-stakeholder group and each constituency should consider gender balance in their representation to progress towards gender parity. Members of the multi-stakeholder group should have the capacity to carry out their duties. The multi-stakeholder group should undertake effective outreach activities with civil society groups and companies, including through communication such as media, website and letters, informing stakeholders of the government's commitment to implement the EITI, and the central role of companies and civil society. The 	

multi-stakeholder group should also widely disseminate the public information that results from the EITI process. Members of the multi-stakeholder group should liaise with their constituency groups. The multi-stakeholder group should 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 should include 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 its members, this practice should be transparent and should not create conflicts of interest. Any deviations from the MSG's governance documents, including in the frequency of meetings, should be publicly documented. To strengthen implementation, the MSG could consider establishing working groups to strengthen the multi-stakeholder oversight of technical aspects of EITI implementation.

4. Transparency

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

Overview of the extractive sector (Requirements 3.1, 6.3)

Overview of progress in the module

The vast majority of mining activity in the CAR is artisanal and semi-mechanised, while there has no longer been any activity in the oil and gas sector for several years after the departure of the two license-holding Chinese oil and gas companies. While the CAR's 2021 EITI Report provides some information on the country's sole large-scale industrial mining license awarded in 2022, for the Ndassima gold mine, there are sharply contrasting views between national and international stakeholders consulted over whether there was any activity at the mine site in recent years. The CAR has used its EITI reporting to provide a general overview of the mining and petroleum sectors, although it has not yet disclosed information to improve transparency around the country's largest extractive projects, such as the Ndassima gold mine. The CAR's EITI reporting has provided more public information on the mining sector's contribution to the national economy, although weaknesses in disclosures related to mining's contribution to gross domestic product (GDP), government revenues and employment mean that the objective of transparency in the extractive industries' contribution to the national economy, including informal activities, remains far from being fulfilled.

Progress by requirement and corrective actions

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

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Exploration (Requirement #3.1) <i>Mostly met</i>	<p>The Secretariat's assessment is that Requirement 3.1 is mostly met. The MSG's 'Transparency' template considers that the objective of ensuring public access to an overview of the extractive sector in the country and its potential is fully met. Stakeholders consulted did not express particular views on progress towards this objective. The International Secretariat's view disagrees with the MSG's self-assessment in considering the objective as mostly met, given the lack of CAR EITI coverage of the main projects in the country, such as the Ndassima gold mine, or of significant exploration activities in the mining sector.</p> <p>In its comments to the draft Validation report, the MSG argues that they did not mention the Ndassima gold mine, which is the only industrial gold mine in the country, because it is not within the scope of EITI implementation, given its adapted implementation, which only covers the Kimberly Process accredited regions. It notes that the even if the Annex 1 of the 2021 EITI Report mentions Ndassima, it is only because the MSG chose to include the mining cadastre in full. The International Secretariat disagrees, given that revenue disclosures cannot be directly linked to the geographical regions, and</p>

	<p>reporting has in practice been covering the country as a whole. As the only industrial mine in CAR, the omission of that project constitutes a material gap.</p> <p>The MSG further acknowledged in the comments that the problem of prefinancing agreements in the diamond sector is well known, and the reason CAR's EITI reporting did not mention this practice is because the MSG did not see the need to do so, noting that in their view, this practice has been abandoned due to Kimberley Process sanctions.</p> <p>The CAR's 2020 and 2021 EITI Reports provide a cursory overview of the mining and petroleum sectors, alongside forestry. This includes an overview of the sectors' potentials, a brief overview of the artisanal and small-scale nature of mining and an overview of significant exploration activities in the petroleum sector, not in mining. Although reports including a May 2021 report from Interpol, a July 2023 report from the Center for Strategic and International Studies and a January 2024 report by the Global Initiative on Transnational Organised Crime (GI-TOC) highlight the extensive use of prefinancing arrangements in the diamond mining sector, the CAR's EITI reporting has not described this practice to date. Likewise, although there is extensive international reporting from bodies like the UK Parliament's 2023 'Guns for gold' investigation and the Sentry's June 2023 report on the CAR about the more than doubling in the size of the CAR's sole large-scale industrial gold mine in Ndassima between 2020 and 2023, the CAR's EITI reporting has not described the Ndassima gold mine at all to date, aside from publishing some (incomplete) basic license data on the mine in Annexe 1 of the 2021 EITI Report.</p> <p>In consultations, the IA, industry representatives and development partners confirmed that the use of prefinancing of artisanal and small-scale diamond production was widespread in the country, with buying houses extending lines of credit to artisanal miners and cooperatives. However, none of the stakeholders consulted could explain why this practice of prefinancing of artisanal and small-scale miners, often by foreign investors who were barred from holding artisanal and small-scale mining licenses themselves, was not described in the CAR's EITI Reports published to date. None of the stakeholders consulted could explain why larger projects like the Ndassima gold mine were not described in the CAR's EITI Reports, although some civil society and industry stakeholders considered that the mine was not operational. A development partner noted that satellite imagery reflected significant expansion both in artisanal and small-scale mining activity as well as activity at the Ndassima gold mine in recent years (since 2020 in particular) (see <i>Requirements 2.2, 2.3 and 2.4</i>).</p>
<p>Contribution of the extractive sector to the economy (Requirement #6.3)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 6.3 is partly met. The MSG's 'Transparency' template considers that the objective of ensuring a public understanding of the extractive industries' contribution to the national economy is partly met. Stakeholders consulted did not express any views on progress towards this objective. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as partly met, given the lack of CAR EITI coverage of informal mining activities, referencing credible third-party estimates, weaknesses in estimates of government revenues from the extractive industries nationwide and the absence of any publicly available extractive employment data.</p>

	<p>In its responses to the draft Validation report, the MSG acknowledges that the difficulties are due to the delay in data collection by the Statistics Department (ICASEES) and the difficulty of collaboration between the administrations and companies concerned. The MSG reveals that the EITI 2022 Report currently being drawn up includes recommendations to this effect for ICASEES.</p> <p>The CAR's 2020 and 2021 EITI Reports provide some information on the extractive industries' contribution to the national economy, but with weaknesses with regards to GDP, government revenues and employment. There do not appear to be any systematic disclosures of this information on government or company websites.</p> <p>The 2021 EITI Report provides the mining sector's contribution to GDP in absolute and relative terms for 2021. Although no estimates for the petroleum sector's contribution to GDP are provided, the lack of significant activities in this sector imply that this is a gap of marginal importance for public understanding of the extractive industries. While the EITI Report provides a cursory overview of artisanal mining, it does not provide a review of credible third-party estimates of informal mining activities, despite the existence of multiple studies such as a 2019 USAID-funded report on artisanal mining in western CAR and a May 2021 report from Interpol on illegal mining among others. The 2019 USAID report in particular estimated that gold ASM production in western CAR had increased from 1.98 tonnes in 2018 to 5.66 tonnes in 2019.</p> <p>The 2021 EITI Report provides a figure for government extractive revenues that appears limited to the revenues collected from 24 mining and three petroleum companies, rather than revenues collected from all extractive companies operating in the country. This appears to omit larger operators such as Midas Resources, which holds the country's sole large-scale mining license for the Ndassima gold mine. Thus, the value of government extractive revenues disclosed in the CAR's EITI reporting appears to significantly underestimate the value of government revenues from the sector and cannot be considered to provide an accurate picture of the extractive industries' contribution to government revenues. Although the EITI Report simply notes that the government's financial operations dashboard (TOFE) does not distinguish extractive from other government revenues, the Secretariat considers that it should have been possible to collect data on government revenues from all extractive companies as part of EITI reporting.</p> <p>Nonetheless, the 2021 EITI Report provides the mining sector's contribution to total exports in absolute and relative terms, alongside that of forestry. It also provides some information on mineral deposits, open and awarded petroleum blocks as well as a map of the Kimberley Process 'compliant' and 'priority' zones. Yet there is no evidence that the CAR has yet used its EITI reporting to disclose employment data for the extractive industries, as the EITI Report simply states that employment data is not available. It is unclear why the MSG made no attempt to request employment data from extractive companies included in the scope of EITI reporting.</p>
Corrective actions and recommendations	
	<ul style="list-style-type: none"> • In accordance with Requirement 3.1, the Central African Republic should ensure that an overview of the extractive industries, including an overview of the main extractive projects and significant ongoing or planned exploration activities, should be publicly disclosed.

- In accordance with Requirement 6.3, the Central African Republic should ensure that information on the extractive industries' contribution to the national economy be publicly disclosed, including the sector's contribution to GDP, including an estimate of informal activities, to government revenues and to national employment.

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

Overview of progress in the module

The primary focus of government reforms in the extractive industries in recent years has been the development of a new Mining Code, to replace the 2009 Mining Code that is widely considered to be outdated. While the new Mining Code was still awaiting finalisation as of May 2024, the CAR's EITI reporting has focused on describing key provisions of the reform together with a cursory overview of the current legal framework and fiscal regime for the extractive industries. There are opportunities for the CAR to make greater use of its EITI reporting to track progress in implementing key ongoing and planned reforms.

The CAR EITI has been instrumental in publishing certain mining and forestry contracts ahead of this Validation. Although constitutional provisions for the publication of extractive contracts were removed from the 2023 [Constitution](#), the planned new Mining Code reportedly includes provisions for the publication of contracts and licenses. [According to the CAR EITI website](#), the Mining Code was adopted by the National Assembly on 29 May 2024 and signed into law in August 2024. Since commencement of Validation on 1 April CAR EITI published 29 contracts and dozens of Ministerial Orders awarding artisanal and small-scale mining, which is commendable as it includes eight that have been concluded prior to 1 January 2021. It is unclear if they are complete, as the inventory of contracts does not include any mention of amendments or existence of annexes. The key contract to understand the agreement between the government and Midas Resources, concluded in 2020 according to the inventory, is not among the disclosed, as well as three other contracts concluded since 2021. The MSG has not yet reviewed the contracts. The MSG has recently published an inventory of licenses that are held by companies, while the register of licenses contain licenses for cooperatives and semi-mechanised mines.

There are also opportunities for the CAR to make greater use of its EITI disclosures to provide a public diagnostic of the rules and practices related to managing environmental impacts of the extractive industries. This is particularly relevant given reports and civil society concerns over adverse environmental impacts of artisanal and small-scale mining, particularly of gold.

Progress by requirement and corrective actions

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

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
<p>Legal framework and fiscal regime (Requirement #2.1)</p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 2.1 is mostly met. The MSG's 'Transparency' template considers that the objective of ensuring public understanding of all aspects of the regulatory framework for the extractive industries is mostly met. Stakeholders consulted did not express any views on progress towards this objective. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as mostly met, given the limited CAR EITI coverage of the roles and responsibilities of government agencies as well as planned reforms in the extractive industries beyond the long-planned reforms of the 2009 Mining Code.</p> <p>The CAR's 2021 EITI Report expanded the description of the legal and regulatory framework for the extractive industries, by providing a list of laws applicable to the mining, petroleum and forestry sectors, a diagram of relevant government agencies with jurisdiction over the extractive industries, and a brief overview of the applicable fiscal regime. The CAR EITI Report's description of ongoing and planned reforms is limited to the long-planned reforms of the 2009 Mining Code, which are also highlighted as a priority in other reports such as the IMF's November 2023 report and Interpol's May 2021 report. The EITI Report describes the planned new Mining Code's provisions to establish a state-owned enterprise (SOE) in the mining sector and a mining fund, to develop local content, to implement the new CEMAC foreign exchange regulations and to adjust the mining fiscal regime. Beyond the EITI Report's description of this planned reform, the IMF's report also highlights plans to develop a model mining agreement and implementing regulations to establish a new mining fund and planned new government agencies in the sector. The 2021 EITI Report does not refer to any reforms in the petroleum sector and does not provide an update on the status of the proposed reforms to the Mining Code, thus adding little to the coverage of reforms in the 2020 EITI Report. Stakeholders consulted from all constituencies confirmed that the draft new Mining Code had recently been approved by Parliament and was undergoing final review before being signed into law and gazetted as of May 2024. The national secretariat published the final version of the Mining Code in August 2024 during the MSG comments period.</p> <p>Of greater concern, the CAR's EITI reporting has not yet discussed in any detail the tax incentives (including holidays and exemptions) provided to some mining companies. For instance, it has been reported internationally that the operator of the Ndassima mine, Midas Resources, has been exempt of all payments to government. This is confirmed in the production of the EITI Report, which identified no other payment to government aside from the 24 mining companies identified (see <i>Requirement 4.1</i>). A development partner consulted confirmed that the operator of the Ndassima gold mine had received an exemption of all payments to government. As noted by several development partners, the CAR's EITI disclosures of estimates of foregone revenues from tax-exempt mines like Ndassima would support government efforts to improve budgetary transparency and accountability under the IMF's extended credit facility.</p> <p>The MSG notes in its comments on the draft Validation report that the Ndassima mine is currently in the construction phase, and is not yet extracting</p>

	gold, and states that to be the reason that there are no recorded revenues yet. The MSG claims that tax exemption is granted to any company when its mine is under construction. In its comments the MSG recommends that the Government make the contract signed between the Central African Government and Midas available to the EITI International Secretariat, with the condition that it not be published until the outcome of the pending dispute between AURAFRIQUE (Axmin's subsidiary which was the owner of the Ndassima mine) and the Central African Government. The International Secretariat notes that the contracts can only be considered if they are made publicly available.
Contracts (Requirement #2.4) <i>Mostly met</i>	<p>The Secretariat's assessment is that Requirement 2.4 is mostly met. The MSG's 'Transparency template considers that the objective of ensuring the public accessibility of all licenses and contracts underpinning extractive activities as a basis for the public's understanding of the contractual rights and obligations of companies operating in the country's extractive industries is partly met. Government officials consulted considered that the objective was in the process of being fulfilled, given the government's recent publication of 13 contracts and Ministerial Orders awarding mining licenses. Several CSOs consulted also considered the objective was in process of being met but expressed concern over certain mining licenses not having yet been disclosed, such as the license awarded to Lobaye Invest.¹⁴ In the commenting period the MSG has managed to publish on the EITI CAR website a total of 29 contracts (up from 13), including eight predating 1 January 2021. The inventory also contains 52 decrees awarding licenses. Given the additional efforts and the publication of contracts that pre-date 1 January 2021, the International Secretariat considers the requirement to be mostly met. There are three (of 25 awarded post 1 January 2021) contracts that are still outstanding to be published and the MSG has not yet undertaken any analysis of the contracts. The Government is invited to further clarify through implementation if the requirement to publish contracts in the 2024 Mining code extends to any amendments to contracts. The MSG is encouraged to ensure that the contract and license inventory is kept up to date and that it indicates which operations are no longer active, as indicated in their response to the draft assessment.</p> <p>In its comments to the draft Validation report, the MSG provided the following updates on the ongoing dispute between the Government and AURAFRIQUE (former owner of the Ndassima Mine), the company Lobaye Invest (Russian company) which was sanctioned by the US State Department and has ceased its activities as well as the company DIAMVILLE.</p> <p>The CAR EITI has published one dedicated report on licensing and contract disclosure, as well as two EITI Reports that cover the issue of contract disclosure since the lifting of the suspension in 2021. The CAR's EITI reporting consistently highlights the lack of government policy or enabling legal environment for the publication of the full text of extractive contracts and licenses, even if the long-planned reforms to the 2009 Mining Code include provisions for contract transparency, which materialised to some degree in 2024 with the adoption of the new Mining Code. The 2021 EITI Report highlights that the government decree establishing the EITI contains provisions for the public disclosure of extractive contracts, stakeholders consulted confirmed that these provisions did not constitute a government policy. The</p>

¹⁴ a company under US and EU sanctions in view of their role in illegally trading gold and diamonds looted by force from local traders. See <https://www.consilium.europa.eu/en/press/press-releases/2023/02/25/wagner-group-council-adds-11-individuals-and-7-entities-to-eu-sanctions-lists/>

	<p>2016 Constitution included provisions (Article 60) for the systematic publication of all extractive contracts within eight days of their signature, although these provisions do not feature in the 2023 Constitution. Development partners noted that it had become increasingly hard to request contract disclosure of government now that Article 60 had been removed from the new Constitution. Several stakeholders consulted from all constituencies argued that the 2023 Constitution represented the will of the people, and thus that they could not criticise the removal of Article 60 of the former Constitution. However, some government officials consulted explained that the removal of Article 60 from the Constitution was not expected to hinder contract disclosure as the proposed Mining Code reform included provisions for the publication of all contracts and licenses.</p> <p>The CAR's two EITI Report and thematic study state that none of the mining or petroleum contracts or licenses have been published to date, but that "some" (unspecified) forestry contracts had been publicly disclosed. The official gazette, which is not available online, only publishes the government orders (<i>arrêtés</i>) awarding licenses and contracts, not the licenses or contracts themselves, as illustrated in the three government orders (<i>arrêtés</i>) published on the CAR EITI website. This has been amended through the new publications of licenses during the commenting period. According to a minute of Minister of Mines and Geology Benam Beltoungou's meeting with CSOs in October 2023, the Ministry was in the process of scanning "a few" contracts in order to publish them online. The CSOs attending this meeting expressed their concern at the lack of full implementation of the government's commitment to publish the full text of all active extractive contracts and licenses, at the EITI Global Conference in Dakar in June 2023. In early May 2024, the CAR EITI website published the full text of 29 mining contracts (<i>conventions</i>), albeit without their annexes, alongside the full text of 92 Ministerial Orders (<i>arrêtés</i>) awarding PEASM (<i>permis d'exploitation artisanale et semi-mécanisée</i>), six Ministerial Orders (<i>arrêtés</i>) awarding AEA (<i>Autorisation d'exploitation artisanale</i>), 18 agreements establishing buying houses, two decrees awarding agreements to buying houses, two Ministerial Orders (<i>arrêtés</i>) modifying the award of PEASM and 1 Ministerial Order (<i>arrêté</i>) renewing four PEASM. Several government officials consulted committed to publishing an additional 16 mining contracts that had recently been awarded, which was expected to be done in May 2024. The MSG published during the period for comments on the draft Validation report, an additional list of active licenses and contracts at end 2023, including the Lobaye Invest mining contract and the Presidential Decree awarding it.</p> <p>However, it appears that certain licenses and contracts awarded since January 2021 have not yet been published. The International Crisis Group has reported on several mining licenses being awarded to Rwandan mining companies in 2022, none of these have been published to date. Several CSOs consulted raised questions about a mining license awarded to Lobaye Invest in June 2018, which they considered had been awarded outside of the conventional licensing procedure (see <i>Requirement 2.2</i>). CSOs raised concern that the license was not included in the mining license register disclosed in the 2021 EITI Report and that the full text of this license had not been officially published. This license was published in the commenting phase, as has the license linked to the Ndassima mine (allocated in 2020) – but not the contract, which is encouraged given that the date of allocation predates 1 January 2021.</p> <p>The CAR EITI has published an (incomplete) list of active licenses in Annexe 1 of the 2021 EITI Report (see <i>Requirement 2.3</i>), which was updated in the</p>
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	<p>commenting period. However, the license register does not provide a public inventory of all active license and contract documents, including annexes, amendments and riders for each license and contract, indicating which licenses and contracts have been amended when. As part of the CAR's 38-month extended credit facility with the IMF agreed in April 2023, one of the key policy objectives includes publishing mining and forestry licenses. Several CSOs consulted called for more capacity development for the civil society constituency, given that they did not have access to specialists who could understand mining contracts. Industry stakeholders consulted did not express any reservations about the publication of the full text of all mining contracts and licenses.</p>
<p>Environmental impact (Requirement #6.4)</p> <p><i>Not assessed</i></p>	<p>The Secretariat's assessment is that Requirement 6.4 remains not assessed, given that several encouraged aspects of this requirement remain to be addressed by the CAR EITI. The MSG's 'Transparency template considers that the objective of providing a basis for stakeholders to assess the adequacy of the regulatory framework and monitoring efforts to manage the environmental impact of extractive industries was not met. Stakeholders consulted did not express any views on progress towards this objective, although some CSOs highlighted that issues of environmental impacts had caused host communities to rebel and force the halting of certain mining projects. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as not met, given the lack of CAR EITI coverage of the rules and practices related to environmental impact management to date.</p> <p>The CAR has not yet used its EITI reporting to improve transparency in the rules and practices related to managing the environmental impacts of the extractive industries. The 2021 EITI Report only provides a short description of the roles and functions of the <i>Office de Recherche Géologique et d'Exploitation Minière</i> (ORGEM), which includes environmental monitoring, but does not describe the relevant legal provisions, administrative rules as well as actual practice related to environmental management and monitoring of extractive investments in the country.</p> <p>There are reports of significant environmental impacts of the mining industry in the CAR, including a May 2021 report from Interpol highlighting the use of mercury in gold mining and reports in the international press and by international NGOs like Amnesty International of mercury pollution caused by mining activities. The US Department of State's 2022 Human Rights report on the CAR highlighted a rise in the use of toxic chemicals such as cyanide and mercury in gold mines during the year, but that the government did not regulate the use of harmful chemicals in artisanal and semi-mechanised mining operations. Several CSOs consulted echoed these concerns and highlighted how adverse environmental impacts had caused host communities to rebel against certain mining projects, which had caused the projects to be suspended.</p>
Corrective actions and recommendations	
<ul style="list-style-type: none"> In accordance with Requirement 2.1, the Central African Republic should ensure that a description of the legal framework and fiscal regime governing the extractive industries is publicly disclosed, including information on the roles and responsibilities of the relevant government agencies as well as ongoing and planned reforms related to the extractive industries. 	

- In accordance with Requirement 2.4, the Central African Republic should ensure that any contracts and licenses that are granted, entered into or amended from 1 January 2021 are publicly disclosed. The multi-stakeholder group is expected to agree and publish a plan for disclosing contracts, including amendments and riders, with a clear time frame for implementation and addressing any barriers to comprehensive disclosure. 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, specifying the general contract transparency provision in the 2024 Mining Code and clarifying the policy for oil and gas contract disclosure. The MSG must ensure that the existing inventory of licenses and contracts is fully comprehensive and updated regularly. If a contract or license is not published, the legal or practical barriers must be documented and explained. 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. CAR should publish the model licenses for all licenses that are not yet covered in the current license inventory, and clarify if there are any deviations from the model licenses in practice.
- To strengthen implementation of Requirement 6.4, the Central African Republic could disclose an overview of relevant legal provisions and administrative rules governing environmental and social impact management and monitoring in the extractive sector. The Central African Republic could also disclose information on regular environmental monitoring procedures, administrative and sanctioning processes of governments, as well as environmental liabilities, environmental rehabilitation and remediation programmes.

Licenses and property rights (Requirements 2.2, 2.3)

Overview of progress in the module

Transparency in the management and oversight of mining rights is one of the most pressing extractive industry challenges in the Central African Republic according to many stakeholders consulted. The Ministry of Mines does not maintain a modern cadastral management system, relying on paper ledgers in Bangui to record active mining licenses. The CAR has used its EITI implementation to begin sanitising its register of mining licenses, although the publication of several inconsistent lists of mining licenses with significant gaps in license information provided raises questions over the comprehensiveness and reliability of license data disclosed. The government is planning to develop a modern cadastral management system with support from the World Bank, which will require extensive sanitisation work to rebuild an accurate list of active mining rights. In the meantime, the CAR has used its EITI disclosures to clarify the general statutory procedures for awarding and transferring mining and oil rights, but without clarity on the specific criteria assessed for license awards and without a methodologically robust diagnostic of any non-trivial deviations from statutory procedures in the practice of license and contract awards. There are opportunities for the CAR to make greater use of its EITI implementation as a diagnostic of licensing practices, to support implementation of the new Mining Code's provisions related to licensing.

Progress by requirement and corrective actions

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

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
<p>Contract and license allocations (Requirement #2.2)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 2.2 is partly met. The MSG's 'Transparency template considers the objective of transparency in licensing practices is partly met. While several development partners consulted considered that the objective was still far from being fulfilled, several government and civil society stakeholders consulted considered that the objective was in the process of being fulfilled given the 2021 EITI Report's coverage of mining license awards. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as not met, given the lack of clarity on the specific mining licenses awarded and transferred in the period under review, ambiguities in the technical and financial criteria assessed in license awards and transfers, and concerns over the robustness of the CAR EITI's diagnostic of licensing practices in the context of public allegations of deviations in licensing practices.</p> <p>The MSG's comments on the draft Validation report argue that the MSG is not aware of these allegations and cannot comment on them.</p> <p>The CAR's EITI Reports have covered licensing in the mining, petroleum and forestry sectors. In <u>petroleum</u>, the 2021 EITI Report confirms the lack of oil and gas license awards or transfers in the period under review. The CAR's EITI reporting describes the general process for awarding and transferring petroleum licenses, but does not clarify the technical and financial criteria assessed for such awards and transfers. Moreover, the CAR's EITI reporting has not reviewed to date the practices of petroleum licensing for the three active production-sharing contracts that were awarded in 2011-2013.</p> <p>In <u>mining</u>, the 2021 EITI Report states that 126 mining licenses were awarded and six licenses were transferred in 2021, although the annexe 1 to the report that provides a copy of the license register only lists 35 mining licenses with award dates marked as 2021 (although this may be due to weaknesses in the comprehensiveness of the CAR's mining license register – see <i>Requirement 2.3</i>). Thus, the identity of all companies receiving a mining license awarded or transferred in 2021 is not publicly accessible. The 2021 EITI Report provides an overview of the process for awarding the different types of mining licenses, with reference to a guide of procedures for mining licensing published on the Ministry of Mines website. However, neither the EITI Report nor the Ministry of Mines guide provide a detailed list of the technical and financial criteria assessed in mining license awards and transfers (which the EITI Report implies are the same criteria), nor the weightings applied to different criteria if applicable, even if the public documents refer to the licensing authority's assessment of the technical and financial capacities of applicants for mining licenses. The 2021 EITI Report notes the Directorate General of Mining's assurances that there were no non-trivial deviations from statutory procedures in mining license awards and transfers in 2021, there is no further explanation of the methodology agreed by the MSG for conducting this assessment of non-trivial deviations. The EITI Report implies that some mining licenses can be awarded through competitive tender, although without clarifying whether any mining licenses were awarded through bidding in 2021. The EITI Report does not provide the bid criteria or full list of bidders for mining licenses awarded through bidding in 2021, if applicable. However, the Secretariat understands through stakeholder consultations that none of the mining licenses awarded in 2021 were through competitive tender.</p>

	<p>Several development partners highlighted challenges in mining license management that were not described in the CAR's EITI Reports to date. They explained that local government officials (<i>préfets</i>) maintained mining offices at the local level and sometimes awarded mining rights at the subnational level, without alerting the Ministry of Mines in Bangui about the awarding of such rights. One international analyst of the CAR explained that there were also cases where local government officials banned artisanal and small-scale mining in certain areas to enable certain investors to conduct mining activities in those areas, which was considered the equivalent of licensing those areas to investors. The CAR's EITI reporting to date has only focused on the formal awarding of mining licenses and contracts by the Ministry of Mines in Bangui.</p> <p>The CAR's EITI Reports have not yet addressed licensing issues that appear to be the focus of public interest. For instance, there has been considerable public attention focused on the "securitisation agreement" concluded between the CAR Government and Turkey's Koza Gold Corp. in October 2022 for the development of uranium mining of the Bakouma deposit in the country's south-east, which was previously held by Canadian-listed UraMin and subsequently by France's Areva. A minute of Minister of Mines and Geology Benam Beltoungou's meeting with CSOs in October 2023 indicates that CSOs attempted to raise this issue, but that the meeting was closed prior to the topic being discussed. This license is not listed in annexe 1 to the 2021 EITI Report (which provides the mining license register) and none of the published CAR EITI documents provide any further transparency on the award or terms of this license. There have been public allegations in the press and in foreign government reports of non-trivial deviations in the award of certain new mining licenses, such as in a July 2023 article in Africa Intelligence and in the US Department of State's 2022 Human Rights report on the CAR for example. Several CSOs consulted raised concerns over alleged deviations from statutory mining rights allocation procedures in the past, such as with regards to the awarding of a mining license to Lobaye Invest in June 2018. While the 2 June 2018 Presidential Decree awarding the license to Lobaye Invest has been published unofficially online, the award of this license has not been discussed by the CAR EITI MSG to date. The International Crisis Group has reported on several mining licenses awarded to Rwandan companies incorporated in the country in 2022.</p> <p>In 2023, the government implemented reforms related to the awarding of new mining licenses. In September 2023, the Ministry of Mines and Geology issued an order (arrêté 145/23/MMG/DIRCAB/DGM) suspending the issuance of new semi-mechanised artisanal mining licenses (PEASM). According to a minute of Minister of Mines and Geology Benam Beltoungou's meeting with CSOs in October 2023, this moratorium on new PEASM licensing was due to the government's desire to favour national investors over foreign investors in issuing these permits, given that resource-rich areas were being developed by foreign companies with impacts on the environment.</p> <p>Development partners noted that the new Mining Code had removed the need for concluding mining contracts (<i>conventions</i>) for early-stage mining given that estimates of deposits were not yet known, although such contracts existed under the previous Mining Code. Some development partners called for the EITI to play a greater role in facilitating citizen and parliamentary oversight of the way in which mining rights were allocated in the CAR.</p>
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<p>Register of licenses (Requirement #2.3)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 2.3 is partly met. The MSG's 'Transparency template considers the objective of transparency in extractives property rights is partly met. Consulted stakeholders' opinions were split over progress towards the objective, with government officials considering that it was in the process of being fulfilled given efforts to sanitise the license register in preparing the 2021 EITI Report and plans for the development of a modern cadastral management system. However, several CSOs, development partners and the IA considered that there were still significant weaknesses in the license register disclosed through the EITI. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as still far from being met, given inconsistencies in the different license information disclosed online by CAR EITI and the lack of public information on mining licenses that have attracted public attention in recent years.</p> <p>The CAR EITI has published two different versions of the <u>mining</u> license register, one in Annexe 1 of the 2021 EITI Report published in PDF on the CAR EITI website (republished on EITI international secretariat's website) and the second as a republished version of Annexe 1 of the 2021 EITI Report in open format on the Ministry of Mines and Geology "website". The two versions of the license register are inconsistent, with Annexe 1 listing a total of 349 active mining licenses, while the separate spreadsheet lists only a total of 160 active mining licenses. There is no published commentary from CAR EITI explaining the differences between these two documents and the discrepancies in the number of active mining licenses. The two versions of the license register are inconsistent, with Annexe 1 listing a total of 349 active mining licenses¹⁵, while the separate spreadsheet lists only a total of 160 active mining licenses.¹⁶ There is no published commentary from CAR EITI explaining the differences between these two documents and the discrepancies in the number of active mining licenses. In its comments to the draft Validation report, the MSG suggest that the Validation team considers that the number of licenses in Annex 1 of the 2021 EITI Report is the same on the spreadsheet published in open data.</p> <p>The two documents present different gaps in the availability of license information listed in Requirement 2.3.b. The Annexe 1 of the 2021 EITI Report originally published in PDF format provides only a minority of the required data for the 349 active mining licenses listed, including license numbers for 270 of the licenses, dates of application for only 120 licenses, dates of award and of expiry for only 123 licenses and coordinates for 118 licenses. The republished Annexe 1 in open format published on the Ministry of Mines website provides more information on the 160 active mining licenses listed, including all information listed in Requirement 2.3.b aside from dates of application for 11 licenses and license coordinates for one license. However, the lack of explanation for the differences in license information listed between the two versions of the mining license register published online is a significant concern, which explains the Secretariat's assessment that the objective remains far from</p>
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¹⁵ Annexe 1 of the 2021 EITI Report lists 349 active mining licenses, including 33 AEAs (Autorisation d'exploitation artisanale), 18 AEPCs (Autorisation d'exploitation permanente de carrière), 2 AETCs (Autorisation d'exploitation temporaire de carrière), 4 APs (Autorisation de prospection), 1 ARMs (Autorisation de reconnaissance minière), 1 PE (Permis d'exploitation) – Ndassima, to Midas Resources, 233 PEASM (Permis d'exploitation artisanale et semi mécanisée), 9 PEPMs (Permis d'exploitation de petite mines), 33 PRs (Permis de Recherches), 1 ZEA (Zone d'Exploitation Artisanale), 1 authorisation to purchase explosives, 2 PRHs (license type unclear), 2 PGRs (license type unclear), and 5 licenses are of an unidentified type (marked as "???" in the annexe).

¹⁶ The standalone spreadsheet with the second version of the mining license register lists 160 active mining licenses, including 130 PEASM (Permis d'exploitation artisanale et semi mécanisée), 16 AEA (Autorisation d'exploitation artisanale), 7 AEPC (Autorisation d'exploitation permanente de carrière), 4 ARM (Autorisation de reconnaissance minière), 1 PEIDM (?), and 2 PEPM (Permis d'exploitation de petite mines).

	<p>being fulfilled. In consultation, the IA claimed that it was a significant achievement of the EITI to establish a first digitised mining license register for the purposes of EITI reporting, given that the current system consists of a manual ledger. However, gaps remained and it had taken significant efforts from the IA just to triangulate the information in Annexe 1 from various sources within government.</p> <p>It appears that all required information on certain active mining licenses has not yet been disclosed to the public. For instance, while the originally published Annexe 1 lists the country's sole large-scale production license for Ndassima, it provides none of the information listed under Requirement 2.3.b for this license. Likewise, while the International Crisis Group has reported on several mining licenses being awarded to Rwandan mining companies in 2022, none of these feature in the registers of mining licenses disclosed by CAR EITI. Several CSOs consulted also called for more information on the exploration license awarded to Lobaye Invest in June 2018. While the 2 June 2018 Presidential Decree awarding the license to Lobaye Invest has been published unofficially online, CSOs raised concern that the license was not included in the mining license register disclosed in the 2021 EITI Report. Several stakeholders from government, industry, civil society and development partners highlighted the government's plans to develop a modern cadastral management system with support from the World Bank, which was considered a priority by the government. Some international analysts emphasised that there may be a number of mining licenses awarded by local government's mining offices without coordination or information to the Ministry of Mines in Bangui, which implied that license information held in Bangui was likely not comprehensive of all active mining rights in the country.</p> <p>In petroleum, the CAR EITI Report only provides a summary table with some of the information required on the three active oil and gas production-sharing contracts (PSCs), including license name, identity of license-holder, general location and date of award, but not the dates of application and of expiry, nor license coordinates.</p>
Corrective actions and recommendations	
<ul style="list-style-type: none"> • In accordance with Requirement 2.2, the Central African Republic should ensure that information is publicly disclosed on the process for awarding and transferring extractive licenses and contracts, including the technical and financial criteria assessed and any weighting applied to the different criteria, as well as a diagnostic of any material deviations from the applicable legal and regulatory framework governing license transfers and awards. Where licenses are awarded through a bidding process, the government is required to disclose the list of applicants and the bid criteria. The multi-stakeholder group may wish to include additional information on the allocation of licenses as part of the EITI disclosures, which could include commentary on the efficiency and effectiveness of licensing procedures, and a description of procedures, actual practices and grounds for renewing, suspending or revoking a contract or license. • In accordance with Requirement 2.3, the Central African Republic maintain a publicly available register or cadastre system with comprehensive information regarding each active extractive license including license-holder name, geographic coordinates, dates of application, award and expiry. Where such registers or cadastres do not exist or are incomplete, such information should be publicly disclosed at least for each of the licenses pertaining to companies within the agreed scope of EITI implementation. 	

Beneficial ownership (Requirement 2.5)

Overview of progress in the module

Adherence to Requirement 2.5 on beneficial ownership is assessed in full in Validation as of 1 January 2022 as per the framework agreed by the Board in June 2019.¹⁷ The assessment consists of a technical assessment and an assessment of effectiveness.

Technical assessment

The technical assessment is included in the Transparency template, in the tab on Requirement 2.5. The assessment shows that the CAR has not yet established an enabling legal and regulatory environment for the collection or disclosure of beneficial owners of extractive industry companies. The draft revisions to the 2009 Mining Code include provisions on disclosing the beneficial owners of mining companies, but this reform had not yet been enacted as of the commencement of Validation. The MSG has not yet agreed definitions of key terms such as 'beneficial owner' or reporting thresholds, nor piloted beneficial ownership data collection through the EITI process to date. Legal ownership information does not appear to be publicly accessible in the CAR given third-party (e.g. FATF) reports that shareholder information is not publicly accessible from the company register (RCCM), and the CAR EITI has not yet disclosed any legal ownership information on companies included in the scope of EITI reporting. There do not appear to be subsidiaries of publicly listed companies operating in the CAR's extractive industries.

Assessment of effectiveness

Neither the MSG nor any government entity has yet published an assessment of the comprehensiveness and reliability of beneficial ownership data collection or disclosures to date. Government officials explained that companies registering with the General Directorate of Tax Administration (DGID) are required to submit copies of their statutes and articles of association, although this covered only shareholders at the time of incorporation rather than an ongoing requirement for companies to disclose their beneficial owners. The Ministry of Mines and Geology attempted to review the beneficial owners of companies applying for mining licenses according to government officials consulted, although this extended only to reviewing their articles of associations submitted to the DGID, rather than actual beneficial owners.

The November 2023 [mutual evaluation](#) of the CAR by the Financial Action Task Force (FATF) found that the CAR was "non-compliant" with the recommendation (n.24) related to beneficial ownership transparency given weaknesses in implementation of the OHADA legal code and the predominantly informal nature of economic activities, which authorities claim complicate the collection of beneficial ownership data. However, as part of its agreement with the IMF, the Ministry of Finance and Budget has published information including the beneficial ownership of companies awarded government contracts valued at more than XAF 10m (around USD 16,500) on its [website](#), a practice started in August 2021.

Several government officials consulted explained that they expected swift progress on beneficial ownership transparency after enactment of the draft new Mining Code, which included provisions defining the term 'beneficial owner' and requiring the identification of beneficial owners of all mining companies. Government officials explained that the CAR was expecting financial support

¹⁷ <https://eiti.org/document/assessing-implementation-of-eitis-beneficial-ownership-requirement>.

from the African Development Bank (AfDB) in 2024 to establish beneficial ownership reporting mechanisms.

Progress by requirement and corrective actions

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

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Beneficial ownership (Requirement #2.5) <i>Partly met</i>	<p>The Secretariat's assessment is that Requirement 2.5 is partly met. The MSG's 'Transparency template considers that the objective of enabling the public to know who ultimately owns and controls the companies operating in the country's extractive industries is not met. Some government stakeholders consulted considered that the objective was in the process of being fulfilled given plans to include provisions on beneficial ownership transparency in the draft new Mining Code. Other stakeholders consulted did not express views on progress towards the objective. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as still far from being fulfilled, given the lack of an enabling legal framework and the lack of efforts to date to collect information on beneficial owners of extractive companies, even if only those included in the scope of EITI reporting.</p> <p>In response to the draft Validation report, the MSG reveals that terms of reference for the recruitment of a consultant to carry out a specific study for the development of a roadmap and beneficial ownership declaration forms in the CAR have been developed and sent to the African Development Bank for funding.</p> <p>The CAR has used its EITI reporting to provide an overview of beneficial ownership work by the MSG to date, and is transparent about the weaknesses. The CAR does not have an enabling legal or regulatory framework for the collection or public disclosure of beneficial ownership data in any sector, including the extractive industries as confirmed in its EITI reporting. Equally, there is no evidence that the CAR EITI MSG has agreed a definition of 'beneficial owner' or 'politically exposed person' to date. Although there are provisions in the long-planned reforms to the 2009 Mining Code for the disclosure of beneficial owners of mining companies, these have yet to be enacted into law. The recommendation in the 2021 EITI Report to establish a public register of beneficial owners appears generic and non-contextualised to the realities of the CAR.</p> <p>Pending the establishment of an enabling legal environment, there is no evidence that the CAR EITI has piloted beneficial ownership data collection as part of EITI reporting by the two dozens of mining, petroleum and forestry companies included in the scope of disclosures. Likewise, there is no evidence that the licensing authorities in mining, petroleum or forestry have piloted beneficial ownership data collection as part of the licensing process. The company register (<i>Registre du Commerce et du Crédit Mobilier - RCCM</i>) is not available online, and recent reviews such as the November 2023 FATF mutual evaluation of the CAR highlight challenges in the public accessibility of company records including shareholders, even in person.</p>

Corrective actions and recommendations

- In accordance with Requirement 2.5, the Central African Republic should ensure public disclosure of the beneficial owners of all companies and individuals that apply for or hold a participating interest in an oil, gas or mining exploration or production license or contract. The Central African Republic is encouraged to establish a publicly accessible register of beneficial owners, at least for the extractive industries. The Central African Republic is required to document the government's policy and multi-stakeholder group's discussion on disclosure of beneficial ownership. This should include details of the relevant legal provisions, actual disclosure practices and any reforms that are planned or underway related to beneficial ownership disclosure. Information that is publicly disclosed about the identity of the beneficial owner should include the name of the beneficial owner, the nationality, and the country of residence, as well as identifying any politically exposed persons. The multi-stakeholder group should assess any existing mechanisms for assuring the reliability of beneficial ownership information and agree an approach for corporate entities within the scope of 2.5(c) to assure the accuracy of the beneficial ownership information they provide. The Central African Republic should also ensure that legal owners of all companies holding extractive licenses are publicly accessible.

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

Overview of progress in the module

There are currently no state-owned enterprises (SOEs) active in the Central African Republic's extractive industries. However, EITI Requirements related to SOEs are expected to become applicable to the CAR in coming years given provisions in the new Mining Code for the creation of new SOEs in the mining sector. There are opportunities for the CAR to use its EITI reporting to provide annual public diagnostics of the rules and practices of state participation in the extractive industries.

Progress by requirement and corrective actions

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

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
State participation (Requirement #2.6) <i>Not applicable</i>	<p>The Secretariat's assessment is that Requirement 2.6 is not applicable in the period under review. The MSG's 'Transparency template confirms that the objective is not applicable to the CAR in the period under review. Some government stakeholders consulted confirmed that there were no longer any SOEs engaged in the extractive industries, pending planned reforms of the Mining Code that were expected to establish new SOEs.</p> <p>The CAR's 2020 and 2021 EITI Reports confirm that there are no state-owned enterprises operating in the extractive industries in this period. While the 2021 EITI Report provides an overview of planned reforms of the country's Mining Code that are expected to establish a new state-owned enterprise in the mining sector,</p>

	<p>this legal reform has yet to be enacted as of the commencement of this Validation.</p> <p>The <i>Comptoir des Minéraux et Gemmes</i> (COMIGEM) was established under the Ministry of Mines and Geology by the 2009 Mining Code as a state-owned diamond and mineral buying house, although international press coverage indicates that the SOE had gone bankrupt several years ago and was awaiting privatisation in 2020. In consultation, the IA confirmed that COMIGEM had not been operating for several years and that there were no functional state-owned buying houses pending enactment of planned reforms of the Mining Code, as confirmed in the 2021 EITI Report.</p>
<p>Sale of the state's in-kind revenues (Requirement #4.2)</p> <p><i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 4.2 is not applicable in the period under review. The MSG's 'Transparency template confirms that the objective of this requirement is not applicable to the CAR in this period.</p> <p>The CAR's 2020 and 2021 EITI Reports confirm that there are no state-owned enterprises operating in the extractive industries in this period, implying that there are no in-kind revenues in the mining or petroleum sectors.</p>
<p>Transactions related to state-owned enterprises (Requirement #4.5)</p> <p><i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 4.5 is not applicable in the period under review. The MSG's 'Transparency template confirms that the objective of this requirement is not applicable to the CAR in this period.</p> <p>The CAR's 2020 and 2021 EITI Reports confirm that there are no state-owned enterprises operating in the extractive industries in this period.</p>
<p>Quasi-fiscal expenditures (Requirement #6.2)</p> <p><i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 6.2 is not applicable in the period under review. The MSG's 'Transparency template confirms that the objective of this requirement is not applicable to the CAR in this period.</p> <p>The CAR's 2020 and 2021 EITI Reports confirm that there are no state-owned enterprises operating in the extractive industries in this period, implying that there were no quasi-fiscal expenditures by material SOEs.</p>
Corrective actions and recommendations	
<ul style="list-style-type: none"> To strengthen implementation of Requirement 2.6, the Central African Republic is encouraged to consider on an annual basis whether state participation in the extractive industries gives rise to material revenue payments. Where extractive SOEs are material, the Central African Republic should ensure that all disclosures listed under Requirement 2.6 are comprehensively addressed, with a view to providing a basis for continuous improvements in newly established extractive SOEs' contributions to the national economy whether financially, economically or socially, and to strengthen understanding of the extent to which SOE investment decisions are aligned with long-term public interests. 	

Production and exports (Requirements 3.2, 3.3)

Overview of progress in the module

Oversight of mineral commodity production and exports (of diamonds and gold) is another key challenge for extractive industry governance in the Central African Republic according to many development partners and international analysts. There is a legacy of informal production and

export of diamonds and gold, even if official government data has recorded a growth in formal diamond exports in recent years. The CAR has focused its EITI reporting on formal production and exports of diamonds and gold, comparing figures between the Directorate General of Mining (DGM), the national statistics institute (ICASEES), the customs department (DGDDI), the Kimberley Process (for diamonds) and secondary sources. These comparisons have already highlighted significant discrepancies between records of different government agencies, that could have formed the basis for more pertinent recommendations for reform. There are opportunities for the CAR to make greater use of its EITI implementation to support the strengthening of government oversight of mineral production and exports, which could help support the CAR's aspirations to expand the number of prefectures deemed compliant with the Kimberley process.

Progress by requirement and corrective actions

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

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
<p>Production (Requirement #3.2)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 3.2 is partly met. The MSG's 'Transparency template considers that the objective of ensuring public understanding of extractive commodity production levels and the valuation of extractive commodity output is mostly met. Several government stakeholders consulted considered that the objective was in the process of being achieved. However, several development partners considered that formal government mineral production data vastly under-estimated actual mineral production levels. The International Secretariat's view disagrees with the MSG's self-assessment in considering the objective as still far from being met, given the CAR EITI's disclosures of only a limited share of the diamond and gold production taking place in the country. Given the materiality of estimates of informal production not recorded in EITI Reports, the International Secretariat considers the objective still far from being fulfilled. In its comments to the draft Validation report, the MSG believes that this requirement has been fully met and raises concerns about the comments of third parties who considered that the government's official data on mineral production underestimated the actual levels of mineral production.</p> <p>There are only limited (outdated) systematic disclosures of mineral production data on government websites, with the Ministry of Mines and Geology publishing diamond and gold production data for the 2016-2019 period only on its website. The data from the ICASEES (<i>Institut Centrafricain des Statistiques et des Etudes Economiques et Sociales</i>) on annual gold and diamond production volumes and values for the 2018-2021 period is republished on the CAR page of the Open Data For Africa portal. The CAR's EITI Reports disclose production volumes and values for diamonds and gold, as well as production in the forestry sector, but this appears to only relate to a small share of production taking place in the eight western prefectures deemed Kimberley Process 'compliant'. The 2021 EITI Report provides the aggregate volumes and values of diamond production sourced from the Kimberley Process (and consistent with the CAR's 2021 Kimberley Process annual report), which cover certified diamond production from the eight 'compliant' prefectures, without further disaggregation for instance by individual diamond buying house even if this is encouraged, not strictly required, by the 2019 EITI Standard. The EITI Report provides the volumes for each of the</p>

	<p>12 gold mining companies that participated in EITI reporting for 2021, but only provides the 'taxable value' of production (as a proxy for production value) for five of these 12 companies. The EITI Report raises significant concerns over the accuracy of the reported gold production data, given the aggregate discrepancy of 344.5kg between figures reported by the Directorate General of Mining (DGM) and those by the national statistics institute (ICASEES). In consultation, the stakeholders including the IA attributed these discrepancies between official and other estimates to informal production and exports of diamonds and gold, although the IA noted that no official explanations were provided for these discrepancies.</p> <p>The disclosed production relating to these eight prefectures appears to underestimate the total production of these commodities in these eight prefectures. A development partner noted estimates from the US Geological Survey based on satellite imagery that formal diamond exports from the eight prefectures accounted for only around 60%-80% of total diamond production in these prefectures, which was one of the major barriers to including additional prefectures as KP-compliant green zones. There are also vastly higher estimates of gold production in the CAR from third-party sources. The 2021 EITI Report discloses aggregate production volumes of 92,771.51 carats of diamonds and 512.449kg of gold (as reported by the DGM, far lower than the 857kg of gold reported by the ICASEES). In contrast, a May 2021 report by Interpol estimated gold production in 2019 to have reached 5.66 tonnes from artisanal sources. A 2023 report by the United Nations Panel of Experts on the CAR estimated that gold production in the CAR had reached 2 tonnes in 2018, with an estimated 1 tonne of gold exported from the CAR in 2022. The 2021 EITI Report does not comment on these large discrepancies beyond the differences in gold production figures reported by the DGM and ICASEES. Thus, while the CAR's EITI Reports provide official data on the production volumes and values of diamonds and gold, the International Secretariat considers that the lack of estimates of informal production imply that the objective of public understanding of mineral production levels, even in the eight prefectures deemed Kimberley Process 'compliant' is still far from being achieved.</p> <p>The CAR's EITI Reports have not yet expanded to describe the methods for calculating production volumes and values.</p>
<p>Exports (Requirement #3.3)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 3.3 is partly met. The MSG's 'Transparency template considers that the objective of ensuring public understanding of extractive commodity export levels and the valuation of extractive commodity exports is mostly met. Several government stakeholders consulted considered that the objective was fulfilled, although several development partners raised concerns over alleged extensive smuggling of diamonds and gold that meant that official government export data vastly under-represented the level of actual exports. The International Secretariat's view disagrees with national stakeholders in considering the objective as still far from being fulfilled, given the CAR EITI's disclosures of only a limited share of the diamond and gold exports from the CAR.</p> <p>The MSG comments to the draft Validation report argue that important aspects of the requirement have been implemented and the overall objective has been fulfilled. Therefore, the MSG acknowledges that there have been discrepancies, but there is a clear desire to investigate for the reasons and corrective measures will be taken in the 2022 EITI Report.</p>

	<p>The CAR's EITI Reports disclose export data for diamonds and gold, as well as forestry exports, although these are limited to legal commodity exports without reference to any credible third-party estimates of informal exports (smuggling). The 2021 EITI Report presents export volumes and values for diamonds and gold, disaggregated by each individual export shipment, covering only legal diamond exports from the eight Kimberley Process 'compliant' prefectures and gold exports by three gold exporting companies.¹⁸ The EITI Report goes further in presenting the results of reconciliation of export figures between the Kimberley Process (only for production, not exports), the Ministry of Mines and Geology, the customs department (DGDDI) and the Massachusetts Institute of Technology's (MIT) Observatory of Economic Complexity (OEC). The EITI Report highlights differences of 844.448kg of gold exports and of 89,825 carats of diamond exports between figures reported by the Ministry of Mines and Geology and the customs department (DGDDI). The report also highlights significant differences between the government export figures and those of the MIT's OEC. The report does not provide explanations for these differences in export data but recommends that an in-depth study be conducted on the reasons for these differences. In May 2024, the CAR EITI website published diamond and gold export data for 2023.</p> <p>There are many reports from international bodies including a May 2021 report from Interpol, reports from the United Nations Panel of Experts and a 2023 report from the Sentry that indicate extensive smuggling of gold and diamonds to neighbouring countries including Cameroon, Chad, the Democratic Republic of the Congo, South Sudan and Sudan, as well as commodity exchange centres such as the United Arab Emirates (UAE). Several development partners and analysts consulted explained that there were significant informal exports of diamonds and gold, allegedly including by companies with licenses to export but who continue to informally export much of their production. They explained that the vast majority of registered buying houses allowed to export were not active, with the number of buying houses that actually exported diamonds and gold declining from around 15 cooperatives in 2016 to between three and five cooperatives in recent years. A development partner noted that the recent rise in formal diamond exports presented an opportunity to further institutionalise transparency in the CAR's extractive industries.</p> <p>The CAR's EITI Reports have not yet expanded to describe the methods for calculating export volumes and values.</p>
Corrective actions and recommendations	
	<ul style="list-style-type: none"> In accordance with Requirement 3.2, the Central African Republic should ensure public disclosures of timely production data, including production volumes and values by commodity, and disaggregated by project, where available. To ensure public understanding of extractive commodities' production levels, the Central African Republic should ensure that credible estimates of informal mining activities be included in its EITI reporting. To strengthen implementation, the Central African Republic is encouraged to include sources and the methods for calculating production volumes and values. In accordance with Requirement 3.3, the Central African Republic should ensure public disclosures of timely export data, including export volumes and the value by commodity. To ensure public understanding of extractive commodities' export levels, the Central African Republic should ensure that credible estimates of informal mineral exports be included in its

¹⁸ The only three gold exporting companies listed are Société Treck Mining, Société Transimex Centrafrique, Société Fonderie Kotto, Société Adamawiss SARL, Sawa Sawa,

EITI reporting. This data could be further disaggregated by region, company or project, and include sources and the methods for calculating export volumes and values.

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

Overview of progress in the module

The Central African Republic, whose government budget depends around 60% on donor funding, derives very little government revenues from its extractive industries. The total government revenues from the mining, oil and gas industries were only XAF 802m (USD 1.4m) in 2020 and XAF 1.5bn (USD 2.6m) in 2021 according to CAR's EITI reporting, less than the XAF 5.6bn (USD 9.6m) and XAF 5.1bn (USD 8.7m) in government revenues from the forestry sector in these respective years. Since resuming EITI reporting in 2022, the CAR has extended the scope of its EITI disclosures to the forestry sector, with ten forestry companies included in the scope of reporting for 2021.

Exceeding the terms of its adapted implementation that had a narrower geographic focus of eight Kimberley process-compliant prefectures in the country's south-west, the CAR EITI scoping of government extractive revenues has considered all national government revenues from the extractive industries irrespective of the geographic location of the company's activities, reflecting the lack of geographic specificity of revenues collected in Bangui. Yet in total EITI reporting has identified only 24 mining companies making any payments to government, far fewer than the hundreds of cooperatives and buying houses listed in the mining license register included in annexe to the 2021 EITI Report. Preparation of the CAR's recent EITI Reports has identified many companies registered with the Ministry of Mines but not with the tax department and, more worryingly, extractive companies making payments to the tax department without being registered with the Ministry of Mines. These inconsistencies could be more clearly identified in EITI reporting and should provide fertile grounds for developing recommendations for reforms of government systems.

There appear to be several mining companies that have been exempt from payments to government. In particular, stakeholders confirmed the lack of any payments from the Ndassima gold mine operator to the government, which many international partners and analysts confirmed was involved in a minerals-for-security agreement with a Russian paramilitary contractor, which appears to meet the definition under Requirement 4.3. While CAR's EITI reporting has not yet disclosed any information on the Ndassima agreement, there are opportunities for the CAR to use its EITI implementation to track implementation of the agreement and provide a public diagnostic of foregone revenues from the project, as a basis for comparing this agreement to conventional mining arrangements.

The CAR has consistently published EITI Reports in a timely manner, within two years of the end of the period covered. With an IA contracted to produce five successive EITI Reports, there are opportunities to improve the timeliness of EITI disclosures in coming years and to strengthen systematic disclosures of license information and disclosed contracts and licenses in particular. The CAR EITI Reports have made some efforts to disaggregate government extractive revenues by company and revenue stream, although there were significant weaknesses in the disaggregation of government reporting and financial data on government revenues is not consistently broken down by company and revenue stream. The CAR EITI has made no progress

towards project-level reporting for companies engaging in semi-mechanised mining, which reflects the MSG's focus on company-level disaggregation before further efforts at the project level.

The CAR's last two EITI Reports have set out a robust procedure for quality assurances of EITI reporting, albeit not based on a review of prevailing audit and assurance practices by government entities and extractive companies. This reflects the significant weaknesses in the prevailing audit and assurance procedures in the CAR context, according to the IA. Yet in practice very few reporting entities (either government entities or companies) complied with the quality assurances agreed by the MSG for EITI reporting. The CAR's EITI Reports are transparent about the weaknesses in comprehensiveness and reliability of EITI disclosures of government extractive revenues, yet have not included recommendations related to strengthening broader audit and assurance practices in the public sector or among extractive companies. This presents an opportunity for the CAR EITI to play a greater role in supporting reforms in public finance management and private-sector audit and assurance practices.

Progress by requirement and corrective actions

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

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Comprehensive disclosure of taxes and revenues (Requirement #4.1) <i>Partly met</i>	<p>The Secretariat's assessment is that Requirement 4.1 is partly met. The MSG's 'Transparency template considers that the objective of comprehensive disclosures of company payments and government revenues from oil, gas and mining is mostly met. Some stakeholders consulted from civil society and the IA considered that the objective was still far from being fulfilled given that the EITI Report stated that the financial data was not comprehensive. The International Secretariat's view agrees with national stakeholders in considering the objective as not met, given the seemingly ad hoc nature of the selection of mining companies included in the scope of EITI disclosures, weaknesses in reporting by some material companies and government entities, and the CAR EITI Reports' own admissions that CAR EITI disclosures of government extractive revenues are not comprehensive.</p> <p>In its comments to the draft Validation report, the MSG acknowledge that the difficulties in the effective implementation of the requirement stem from insufficient knowledge of the EITI by the various stakeholders who are involved in the declaration process and the fact that 2021 was the first year in which the reporting forms were sent to companies and also weaknesses in the IT systems of different reporting Agencies or Administrations.</p> <p>The CAR has covered the mining, petroleum and forestry sectors in its EITI Reports published since 2021. The EITI Report confirms that all revenue streams were included with a materiality threshold of zero. While it has included all three companies holding oil and gas rights, it included 16 mining companies whose payments to government were above XAF 1m (around USD 1650) in 2021. The 16 material mining companies were selected out of a pool of only 24 mining companies recorded as making payments to government. In consultation, the IA confirmed that it had not limited its selection to mining companies operating in the eight KP-compliant prefectures, given that the location of mining companies</p>

	<p>was not included in the tax department (DGI) revenue data they based their materiality calculations on. It is notable that the mining license register in Annexe 1 of the 2021 EITI Report lists 300 different license-holders, including 150 companies and 150 cooperatives. There is foreign direct investment in many of these mining companies, often from China and Russia according to third-party sources such as the 2021 Interpol report. A cursory review indicates that more than 24 mining companies hold licenses marked as being in the eight KP-compliant prefectures. However in consultation, the IA confirmed that it had found only 24 mining companies making any payments to government in 2021 based on tax department (DGI) data. The IA had found some mining companies that were registered with the Ministry of Mines but did not make any payments to government, and some mining companies not registered with the Ministry of Mines yet making payments to government, which was surprising. The material companies included in the scope of reporting did not include cooperatives, but rather license-holding companies and buying houses, who together with foundries are the main contributors to government revenues. Development partners confirmed that 24 companies was an accurate estimate of the mining companies making payments to government, given that certain mines had reportedly been granted exemptions from payments to government.</p> <p>The 2021 EITI Report presents the reconciled government revenue data for only 11 mining companies and two oil and gas companies, given that five mining companies and one oil and gas company did not report. While the value of government revenues is provided for each non-reporting mining company, it is not provided for the non-reporting oil and gas company. More worryingly, the value of government-disclosed revenues is lower than the reporting companies' disclosures, raising questions over the comprehensiveness of both government and company reporting. In consultation, the IA explained that it had followed up with non-reporting companies and extended the target publication date from June to December. The IA attributed the lack of reporting by the five mining companies to a lack of awareness of EITI given that 2021 was the first year in which reporting templates were sent to companies (the 2020 EITI Report was based on 'flexible' reporting, i.e. unilateral government disclosures), but also weaknesses in IT systems.</p> <p>The 2021 EITI Report is transparent about the significant weaknesses in EITI reporting by government entities, including the lack of IT systems in the Treasury (DGTCP) to provide disaggregated government revenues at a company level, which hindered reconciliation, and deviations from CAR EITI reporting guidelines in both format and disaggregation from the customs department (DGDDI), the tax department (DGID) and the Ministry of Mines and Geology. Thus, government disclosures of revenues from the extractive industries were not sufficiently disaggregated or comprehensive. Several civil society stakeholders consulted explained that some of the weaknesses in government EITI reporting were due to high turnover in ministry staff.</p> <p>The 2021 EITI Report provides the total value of government revenues from mining in the eight KP-compliant prefectures, but does not provide the total value of government extractive revenues nationwide. There is no evidence that the CAR EITI has taken steps to facilitate public access to extractive companies' audited financial statements to date, beyond the 2021 EITI Report's statement that none of the reporting companies provided copies of their audited financial statements as part of quality assurances for their EITI reporting. In consultation, the IA explained that extractive companies did not consistently prepare annual financial</p>
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	statements and that audit was not a common practice, which may explained the low company response to the EITI request for audited financial statements.
Infrastructure provisions and barter arrangements (Requirement #4.3) <i>Not met</i>	<p>The International Secretariat's assessment is that Requirement 4.3 is not met. The MSG's 'Transparency template confirms that the objective of public understanding of infrastructure provisions and barter-type arrangements is not applicable in the CAR. In its comments to the draft Validation report, the MSG strongly argues that barter agreements do not exist for military services provided to the Central African Republic. The International Secretariat disagrees given stakeholder views and evidence of extraction activities with missing revenue counterpart. Given the absence of any discussion on this matter by the MSG, the International Secretariat maintains that the requirement is not met.</p> <p>While national stakeholders consulted did not express views on progress towards this objective, some development partners and analysts considered that there were minerals-for-services agreements in force in the CAR's extractive industries but that the objective of transparency on these agreements was still far from being achieved. The International Secretariat's view disagrees with national stakeholders in considering the objective as still far from being achieved, given the lack of CAR EITI discussions of international allegations that the Ndassima mining license was awarded to a private military company in exchange for the provision of military goods and services to the government. Although the Ndassima mine is not located in the eight KP-compliant prefectures covered by the CAR's adapted implementation, allegations that activities have expanded significantly on the country's sole large-scale industrial mine in recent years. Given the unique nature of the agreement and materiality of alleged production at the site, the Secretariat considers this a material issue for the CAR's EITI reporting. Subject to the MSG's clarifications around the status of the Ndassima gold mine, the Secretariat's assessment is that CAR EITI has not undertaken work on this issue to date. In its comments on the draft assessment, the MSG maintained that Ndassima mine is not in production, despite the evidence through satellite imagery (see below). The 2021 EITI Report states that government entities did not report any barter agreement or infrastructure provisions, presumably on the basis of self-reporting. However, there have been multiple allegations from international sources around the awarding of mining rights to companies affiliated with the government's private security contractors in exchange for its provision of paramilitary goods and services to the government. These allegations feature in reports from the Centre for Strategic and International Studies (CSIS) in July 2023, the Council on Foreign Relations in May 2023, the Geneva Centre for Security Policy in March 2024, and the justification for United States Treasury sanctions on several mining companies alleged linked to the government's private security contractors in June 2023. Several international partners and analysts confirmed their understanding that the Ndassima gold mine was involved in a minerals-for-services agreement with Russia, based on their confidential discussions with government officials. Several development partners and analysts confirmed the alleged link between the Ndassima gold mining license, which is allegedly exempt from payments to government, and the provision of military goods and services by the government's security contractors. The CAR's EITI Reports do not mention the Ndassima gold mine, aside from a reference in the license register provided in Annexe 1 of the 2021 EITI Report. In consultation, the IA confirmed that revenue-collecting entities had not provided evidence of any payments to government from the operator of the Ndassima mine, Midas Resources. There is no publicly available evidence that the Ndassima gold mine has made any payments to government in 2021. There is insufficient information in the public domain to</p>

	<p>determine whether the license for the Ndassima gold mine, reportedly granted for 25 years in 2022 according to the CSIS July 2023 report, was granted in exchange for the provision of goods and services to the government. However, the multiple specific allegations to this effect from international reports raises significant concerns over the lack of discussion of the Ndassima mine by CAR EITI since 2021, in the International Secretariat's view. Thus, the Secretariat does not consider that the objective is in the process of being fulfilled, pending more informed discussions of the issue by the CAR EITI.</p> <p>While reports such as a May 2021 report from Interpol, a July 2023 report from the CSIS and a January 2024 report by GI-TOC highlight the extensive use of prefinancing arrangements in the diamond mining sector, the International Secretariat's understanding is that these are private-to-private transactions involving a chain of buyers up to the artisanal miners. In consultation, the IA and industry representatives confirmed that there were no state-owned buying houses in operation (pending enactment of the planned reforms of the Mining Code), and thus that the pre-financing arrangements did not involve state entities.</p>
Transportation revenues (Requirement #4.4) <i>Not applicable</i>	<p>The Secretariat's assessment is that Requirement 4.4 is not applicable. The MSG's 'Transparency template confirms that the objective of transparency in transportation revenues is not applicable in the CAR. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as not applicable.</p> <p>The 2021 EITI Report confirms the lack of government revenues from the transportation of extractive commodities. There is no indication of any transport infrastructure operated by the state for the transportation of extractive commodities.</p>
Level of disaggregation (Requirement #4.7) <i>Partly met</i>	<p>The Secretariat's assessment is that Requirement 4.7 is partly met. The MSG's 'Transparency template considers that the objective of disaggregation in public disclosures of company payments and government revenues from oil, gas and mining is partly met. While most stakeholders consulted did not express views on progress towards the objective, the IA considered that the objective was still far from being fulfilled. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as partly met, given the lack of scoping of project-level taxes and fees in the CAR's extractive industries and the lack of disaggregation in EITI reporting of government extractive revenues by company and revenue stream. The MSG does not make any comment regarding the Secretariat's assessment.</p> <p>The 2021 EITI Report presents the reconciled financial data by company on the one hand and by revenue stream on the other, but not by both company and revenue stream in the same tables. There is no evidence that the MSG has agreed a definition of project for the CAR (nor scoped out any substantially interconnected projects) or reviewed which revenue streams are statutorily levied at a project level and which at a company level. The EITI Report is transparent that the majority of mining in the CAR is artisanal and thus cannot be disaggregated by project. However, the inclusion of 16 mining companies in the scope of reporting would imply that it would be possible to disaggregate their payments per license, where applicable. The 2021 EITI Report presents the data on government revenues from oil and gas de facto by project given that each company holds only one license, but not in mining. For instance, the material mining company <i>Société Industrie Minière de Centrafrique</i> holds several active</p>

	<p>mining licenses according to the license register in the 2021 EITI Report, but only reported payments aggregated at the company level. In consultation, the IA conceded that there was more work to do on project level reporting given that material companies held several licenses, but that the EITI Reports had already struggled to receive revenue data disaggregated by company and revenue streams from the four revenue-collecting entities, which explained why project level reporting had not been possible in the two EITI Reports. The IA also highlighted the importance of a comprehensive and accurate cadastre in order to match projects to companies.</p>
<p>Data timeliness (Requirement #4.8)</p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 4.8 is fully met. The MSG's 'Transparency template considers that the objective of ensuring that EITI disclosures are sufficiently timely to be relevant to inform public debate and policymaking is fully met. Stakeholders consulted did not express any views on progress towards this objective. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as fully met.</p> <p>The CAR published the 2020 EITI Report in December 2022 and the 2021 EITI Report in December 2023, within the Board-approved timelines for its reporting. There is evidence in each EITI Report of the MSG approving the reporting period and cash-accounting basis for reporting.</p>
<p>Data quality and assurance (Requirement #4.9)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 4.9 is partly met. The MSG's 'Transparency template considers that the objective of ensuring that appropriate measures have been taken to ensure the reliability of disclosures of company payments and government revenues from oil, gas and mining is not met. Most stakeholders consulted did not express views on progress towards the objective, although the IA considered that the objective was still far from being fulfilled. The International Secretariat's view agrees with national stakeholders in considering the objective as still far from being achieved, given the lack of adherence of any reporting entities with the agreed quality assurances for EITI reporting and the lack of CAR EITI efforts to date to ensure that EITI implementation contributes to strengthening routine government and company audit and assurance systems and practices.</p> <p>In its comments to the draft Validation report, the MSG acknowledges the Secretariat's assessment and reaffirms its willingness to offer better quality assurance mechanisms for future EITI declarations.</p> <p>The CAR's two EITI Reports produced since 2021 were prepared by the same Independent Administrator (IA), EnerTEAM, who conducted a reconciliation of company payments and government revenues, and whose contract covers a total of five EITI Reports (including 2022-2025). Available documentation suggests that the MSG approved the ToR for the IA as well as reporting templates. There is however no evidence that the MSG or IA reviewed the audit and assurance rules and practices of government entities and extractive companies prior to agreeing data quality assurance procedures for EITI reporting. Indeed, the 2021 EITI Report confirms that none of the reporting companies shared copies of their audited 2021 financial statements with the IA as part of their EITI reporting, as requested. In consultation, the IA explained that there were few statutory audit rules in the CAR and insufficient information to assess the practice, which explained why the IA had proposed such robust EITI quality assurances to the MSG.</p> <p>The quality assurances agreed by the MSG for EITI reporting were robust, involving management attestation as well as external auditor certification of the</p>

	<p>reporting templates, i.e. certification from the Supreme Audit Institution (<i>Cour des Comptes</i>) for government templates and from an external auditor for extractive companies. In practice however, none of the reporting entities (both government entities and companies) provided all of the required documents required for the quality assurance of their EITI reporting templates. While all 19 reporting companies provided management attestations, only three provided the detail of their payments and none provided copies of their audited financial statements or an external auditor certification of their templates. All three reporting government entities provided management attestations, but did not provide the detail of their revenues nor certification from the SAI for their reporting templates. Thus, while the reconciliation coverage target was set at 99.66% of revenues in mining and 100% in oil and gas, the EITI Report concludes on a final reconciliation coverage of 56.29% in mining and allegedly 100% in oil and gas. However, the International Secretariat's concerns over the comprehensiveness of the MSG's scoping of material companies (see <i>Requirement 4.1</i>) raises questions over the accuracy of these reconciliation coverage figures. The list of non-complying companies and government entities is reportedly contained in Annexe 10 of the 2021 EITI Report, although this annexe had not been published as of the commencement of Validation. Thus, it is not possible for readers to identify the value of payments from each non-complying company. The 2021 EITI Report includes a clear statement from the IA, which notes that the reconciled financial data is neither comprehensive nor reliable.</p> <p>The non-financial data in the CAR's EITI Reports appears consistently sourced, with all opinions in the report seemingly those of the IA. While the 2021 EITI Report provides a list of 14 new recommendations, it does not provide any commentary on the status of follow-up on the eight recommendations in the 2020 EITI Report, even though that EITI Report had been published one year prior.</p>
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Corrective actions and recommendations

- In accordance with Requirement 4.1, the Central African Republic should ensure public disclosure of all material payments by oil, gas and mining companies to governments and all material revenues received by governments from oil, gas and mining companies to a wide audience in a publicly accessible, comprehensive and comprehensible manner. The Central African Republic must ensure that all government entities receiving material revenues from oil, gas and mining companies are required to comprehensively disclose these revenues in accordance with the agreed scope. All oil, gas and mining companies making material payments to the government are required to comprehensively disclose these payments in accordance with the agreed scope. To strengthen implementation, extractive companies are expected to publicly disclose their audited financial statements, or the main items (i.e. balance sheet, profit/loss statement, cash flows) where financial statements are not available.
- In accordance with Requirement 4.3, the Central African Republic should ensure the public disclosure of the key terms of any agreements, or sets of agreements, involving the provision of goods and services (including the provision of goods and services to the government), in full or partial exchange for oil, gas or mining concessions or physical delivery of such commodities to specific parties appointed as part of the agreement. This should include arrangements in which mineral rights are awarded in exchange for the provision of services to the government, including those related to national security. To be able to do so, the MSG and the Independent Administrator need to gain a full understanding of the terms of the relevant agreements and contracts, the parties involved, the resources which have been pledged by the state, the value of the balancing benefit stream (e.g. national security services), and the materiality of these agreements relative to conventional contracts. The CAR EITI is required to ensure that EITI

implementation addresses these agreements and disclosures provide a level of detail and disaggregation commensurate with the other payments and revenue streams. The CAR EITI should agree a procedure to address data quality and assurance of the information set out above, in accordance with Requirement 4.9.

- In accordance with Requirement 4.7, the Central African Republic should ensure that public disclosures of company payments and government revenues from the extractive industries are disaggregated by government entity, by revenue stream, by company and, where applicable, by project for all extractive revenues considered material for EITI reporting. To strengthen implementation, the CAR EITI is urged to document which forms of legal agreements constitute a project, in accordance with the definition in Requirement 4.7, and which legal agreements are substantially interconnected or overarching.
- To strengthen implementation of Requirement 4.8, the Central African Republic is encouraged 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. The CAR EITI is encouraged to pursue efforts to further improve the timeliness of its EITI reporting, including through timelier preparation of EITI Reports and by strengthening government and companies' systematic disclosures of data required by the EITI Standard.
- In accordance with Requirement 4.9, the Central African Republic should ensure that EITI disclosures of government extractive revenues are subject to credible, independent audit, applying international auditing standards. The CAR EITI is required to agree and apply a procedure to address data quality and assurance based on a standard procedure endorsed by the EITI Board, without any material deviations. To strengthen implementation, the Central African Republic could strengthen its use of the EITI to contribute to strengthening routine government and company audit and assurance systems and practices. To do so, the Central African Republic could strengthen its diagnostic of the rules and practices of prevailing government and company audit and assurance practices and formulate EITI recommendations for reforms of these practices to strengthen the audit and assurance environment for extractive industry financial data in the Central African Republic.

Revenue management (Requirements 5.1, 5.3)

Overview of progress in the module

The Central African Republic has made limited progress in using its EITI implementation to improve transparency on the budget-making process, including the possibility of any government extractive revenues being managed off-budget, without being recorded in the national state budget. While all extractive revenues are statutorily required to be transferred to the Treasury accounts, weaknesses in the IT systems linking different government revenue-collecting entities raise questions over the potential for certain extractive revenues being withheld by certain government entities, even if the materiality of such potential off-budget is likely low given the limited value of total government revenues from the sector (see *Requirement 4.1*). There are opportunities for the CAR to make greater use of its EITI reporting to provide an annual diagnostic of public finance management and the operations of the Treasury accounts. There are also opportunities for the CAR to use its EITI disclosures to improve public understanding of the government budget and audit cycles, as well as assumptions and projections underpinning fiscal planning.

Progress by requirement and corrective actions

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

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
<p>Distribution of extractive industry revenues (Requirement #5.1)</p> <p><i>Partly met</i></p>	<p>The Secretariat's assessment is that Requirement 5.1 is partly met. The MSG's 'Transparency template considers that the objective of traceability of extractive revenues to the national budget and ensuring the same level of transparency and accountability for extractive revenues that are not recorded in the national budget is not met. National stakeholders consulted did not express views on progress towards this objective, although the IA considered that the objective was still far from being achieved given weaknesses in IT systems linking different government revenue-collecting entities. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as still far from being fulfilled, given the lack of CAR EITI diagnostic to date of the traceability of government extractive revenues in the national budget. The MSG comments to the draft Validation report argue the traceability of revenues and their distribution in the Government's budget is a real challenge for the EITI in CAR. The MSG offers to have a better approach for the upcoming EITI reports.</p> <p>The CAR's EITI Reports provide diagrams of the flow of extractive revenues from companies to government entities, confirming that all government revenues from the sector are collected by four government entities (MMG, DGDDI, DGTCP and DGID). However, the 2021 EITI Report only notes that the government's financial operations dashboard (<i>Tableau des Opérations Financières de l'État - TOFE</i>) does not disaggregate extractive revenues and government revenues from other sectors, without further commentary on the traceability of all government extractive revenues to the national budget. Indeed the EITI Report does not comment on the flow of revenues from the four revenue-collecting government entities to Treasury (DGTCP) accounts. There is therefore a lack of clarity in CAR EITI documents over whether any government extractive revenues are managed without being recorded in the national budget, and whether any financial reports are publicly available to describe the management of any off-budget extractive revenues, if applicable. In consultation, the IA considered the risk of retention of government revenues not recorded in the national budget was low given that all revenues were meant to be transferred to the Treasury, although the lack of robust IT systems linking different government revenue-collecting agencies presented a risk. The IA noted that the Customs Department's IT systems were more advanced given they were linked to the regional SYDONIA system.</p> <p>The CAR's EITI Reports have not yet commented on the national or international classification of government extractive revenues in the CAR, as encouraged by Requirement 5.1.b. Several key government commitments under the 38-month extended credit facility agreed with the IMF in April 2023 relate to improving the governance and transparency of the budget process, strengthening domestic revenue mobilisation and strengthening of tax and customs administrations. There are opportunities for the CAR to use its annual EITI reporting to provide a diagnostic of public finance management of extractive revenues and of planned improvements in budgetary transparency and governance.</p>
<p>Revenue management and</p>	<p>The Secretariat's assessment is that Requirement 5.3 remains not assessed, given that several encouraged aspects of this requirement remain to be</p>

<p>expenditures (Requirement #5.3)</p> <p><i>Not assessed</i></p>	<p>addressed by the CAR EITI. The MSG's 'Transparency template considers that the objective of strengthening public oversight of the management of extractive revenues, the use of extractives revenues to fund specific public expenditures and the assumptions underlying the budget process is partly met. Stakeholders consulted did not express any views on progress towards this objective. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as not met, given the CAR's limited use of the EITI to date to improve transparency around the government's budget and audit cycles, budgetary assumptions and forward-looking projections.</p> <p>In its comments, the MSG acknowledges that CAR has not yet taken advantage of EITI reporting to increase public understanding of the budget process for improving transparency about the Government's budget and audit cycles.</p> <p>The 2021 EITI Report provides an overview of statutory provisions for the establishment of a Mining Development Fund but notes the lack of any implementing regulations for this fund. The report notes that the 2018 government budget highlighted a total of XAF 186m in funds accumulated by the Mining Development Fund as of 2019, but explains that the Directorate General of Mines and Geology (DGMG) confirmed that the fund had been dissolved by Parliament in 2021. There is no further explanation in the public domain about the way in which the fund was managed nor where the accumulated funds were transferred at the fund's dissolution in 2021. The EITI Report also provides a cursory description of the Forestry Development Fund.</p> <p>There is no further evidence that the CAR has yet used its EITI reporting to describe the government's budget and audit cycles, nor to reference links to additional information on these aspects of public finance management. Nonetheless, the Ministry of Finance and Budget website publishes the budget law (<i>loi des finances</i>) annually, even if it does not publish the budget execution report (<i>loi de règlement</i>). There is no evidence that the CAR EITI has yet considered the potential for disclosures of any further information related to the budget cycle, production and commodity price assumptions and revenue sustainability, resource dependence, and revenue forecasting, as encouraged by Requirement 5.3.c.</p>
<p style="text-align: center;">Corrective actions and recommendations</p>	
<ul style="list-style-type: none"> • In accordance with Requirement 5.1, the Central African Republic should use its EITI reporting to indicate which extractive industry revenues, whether cash or in kind, transit through the Treasury accounts and which do not. Where revenues do not transit through the Treasury accounts, the allocation of these revenues must be explained, with links provided to relevant financial reports as applicable. To strengthen implementation, the Central African Republic is encouraged to reference national revenue classification systems, and international standards such as the IMF Government Finance Statistics Manual, in its EITI reporting. • To strengthen implementation of Requirement 5.3, the Central African Republic is encouraged to use its EITI reporting to strength public understanding of the government's budget and audit processes, including relevant budgeting, expenditures and audit reports. The Central African Republic could also disclose more timely information that will further public understanding and debate around issues of revenue sustainability and resource dependence, including the assumptions underpinning forthcoming years in the budget cycle and relating to projected production, commodity prices and revenue forecasts arising from the extractive industries and the proportion of future fiscal revenues expected to come from the extractive sector. 	

Subnational contribution (Requirements 4.6, 5.2, 6.1)

Overview of progress in the module

There do not appear to be any statutory direct subnational payments from extractive companies to local governments or any subnational transfers of mining or oil revenues in the Central African Republic. Reports from international analysts of certain local governments awarding mining rights at the subnational level could imply the existence of certain direct subnational payments in practice and should be investigated in future CAR EITI Reports. There are no indications of any ad hoc subnational transfers of mining or oil revenues in practice, although the CAR EITI Reports have attempted to cover subnational transfers of forestry revenues, even if weaknesses in government reporting have hindered transparency in these forestry transfers.

The Central African Republic has used its EITI reporting to improve transparency on mandatory social expenditures in the small petroleum sector, but has not yet expanded this transparency to potential mandatory social expenditures in the mining sector. There are conflicting views among stakeholders consulted over whether provisions of the 2009 Mining Code requiring most mining license-holders to conclude environmental and social management plans are effectively adhered to and enforced in practice. Likewise, there remains a lack of clarity among stakeholders consulted over whether provisions of the 2007 Environment Code requiring companies to make environmental payments to government are effectively adhered to and enforced. Given apparently significant public interest in extractive companies' social and environmental contributions, there are opportunities for the CAR's EITI implementation to provide evidence for public debate and policy-making related to extractive companies' social and environmental expenditures and payments.

Progress by requirement and corrective actions

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

EITI Requirement and assessment	Summary of progress in addressing the EITI Requirement
Subnational payments (Requirement #4.6) <i>Not applicable</i>	<p>The Secretariat's assessment is that Requirement 4.6 is not applicable. The MSG's 'Transparency template confirms that the objective of transparency in subnational direct payments is not applicable in the CAR. Stakeholders consulted did not express any views on progress towards this objective. The International Secretariat's view agrees with national stakeholders in considering the objective as not applicable.</p> <p>The CAR's EITI Reports confirm that there are no direct payments by extractive companies to subnational government entities, given that all government revenue-collecting entities are national government entities with branches in different areas of the country. There is no evidence that any subnational government entities in the CAR have (licit) revenue-raising authorities. Although there are anecdotal reports of ad hoc payments from extractive companies to actors at the subnational level, these appear to be non-state actors rather than local government entities. While third-party reports of local government officials awarding mining rights at the subnational level without involvement of the Ministry of Mines in Bangui (see <i>Requirements 2.2 and 2.3</i>) imply that there could be certain direct subnational payments from mining companies to local</p>

	governments, there is insufficient information in the public domain about the existence and materiality of these payments. Such potential payments should be investigated in future CAR EITI Reports.
Subnational transfers (Requirement #5.2) <i>Not applicable</i>	<p>The Secretariat's assessment is that Requirement 5.2 is not applicable. The MSG's 'Transparency template considers that the objective of transparency in subnational transfers to empower local stakeholders to know what they are owed is partly met, on the basis of EITI disclosures related to the forestry sector. Stakeholders consulted did not express views on progress towards this objective. The International Secretariat's view agrees with the MSG's self-assessment in considering the objective as not applicable.</p> <p>The CAR's EITI Reports confirm that there are no subnational transfers of government revenues in the mining or petroleum sectors, only in forestry. The 2021 EITI Report provides calculations of the notional aggregate value of subnational transfers in the forestry sector (to all communes combined) based on the revenue-sharing formula. However, it explains that the gaps in Treasury (DGTCP) reporting of subnational transfers in forestry meant that no further analysis of notional and actual subnational transfers of forestry revenues could be undertaken. Nonetheless, the International Secretariat considers that Requirement 5.2 should be considered not applicable given the lack of subnational transfers in either mining or petroleum.</p>
Social and environmental expenditures (Requirement #6.1) <i>Mostly met</i>	<p>The Secretariat's assessment is that Requirement 6.1 is mostly met. The MSG's 'Transparency template considers that the objective of public understanding of extractive companies' social and environmental contributions is mostly met. Most stakeholders consulted did not express views on progress towards this objective, but some civil society and industry stakeholders considered that the objective was still in process of being fulfilled given weaknesses in government oversight of extractive companies' social and environmental contributions. The International Secretariat's view agrees with national stakeholders in considering the objective as mostly met, given the lack of clarity on the existence of any mandatory social expenditures in the mining sector offset by efforts to disclose oil and gas companies' mandatory social expenditures, even if more disaggregation is needed. The lack of clarity on mining companies' environmental payments to government is also a significant concern. In its comments to the draft Validation report, the MSG reveals the existence of environmental taxes in the Article 29 of the 2014 Finance Law "Environmental tax on forestry and mining companies other than radioactive minerals".</p> <p>With regards to <u>social expenditures</u>, the 2021 EITI Report describes two types of mandatory social expenditures applicable in the oil and gas sector, but does not comment on the existence of any provisions for mandatory social expenditures in the mining sector. In consultation, the IA confirmed that there was no indication of any mandatory social expenditures in current mining licenses, but conceded that there did appear to be voluntary social expenditures in practice. However, an industry representative consulted noted his impression that mining companies were required to conclude agreements with host communities in accordance with the 2009 Mining Code. Indeed the 2009 Mining Code includes provisions for companies holding any mining licenses (aside from exploration licenses and quarrying authorisations) are required to submit environmental and social management plans to the Ministry of Mines (Articles 41 and 105), as well as provisions for companies holding</p>

	<p>large- and small-scale mining licenses to submit a community development programme as part of their license application (Article 34).</p> <p>The CAR EITI Reports have provided more information on mandatory social expenditures in the petroleum sector. The first type of mandatory social expenditures for oil and gas companies consists of annual cash contributions to the Petroleum Promotion Support Fund (FSPP). The EITI Report describes the statutory FSPP contribution requirements, including applicable rates, and discloses two of the three material oil and gas companies' contributions to the FSPP in 2021 (sourced from the Directorate General of Petroleum (DGP) annual report for 2021). The report also discloses the planned allocation of these FSPP funds for 2021, which was agreed between the oil companies and the DGP. However, the report is transparent that the DGP did not provide any information on the actual management of these FSPP funds in 2021, thus hindering public understanding of the way in which these FSPP funds were used in practice in 2021.</p> <p>The second type of mandatory social expenditures for oil and gas companies consists of annual cash contributions to the Community Development Projects Support Fund (FSPDC). The EITI Report describes the statutory FSPDC contribution requirements, including applicable rates, and discloses two of the three material oil and gas companies' contributions to the FSPDC in 2021 (sourced from the DGP annual report for 2021). The EITI Report only provides general information on the types of activities to be funded by the FSPDC, but notes that there were no disbursements of FSPDC funds in 2021 due to the security crises in 2020-2021.</p> <p>The EITI Report does not comment on whether mining or petroleum companies undertook any voluntary social expenditures in 2021, as encouraged by Requirement 6.1.d. Some international press coverage such as a June 2023 article in Africa Intelligence have described some mining companies' social expenditures on health centres, schools and infrastructure for military parades, which appear to be voluntary forms of social expenditures.</p> <p>With regards to <u>environmental payments to government</u>, the 2021 EITI Report does not clarify whether mining or petroleum companies make any payments to government related to the environment. However, the list of material revenue streams included in the scope of reconciliation does not include any payments related to the environment, despite the fact that all applicable revenue streams were included in the scope of EITI disclosures with a materiality threshold of zero (see Requirement 4.1). The MSG's 'Transparency' template for this Validation stated that environmental payments are not applicable in the CAR in the period under review. However, the International Secretariat's review of the 2007 Environment Code published on the CAR EITI website includes provisions (Article 82) for companies operating on "classified installations" (which includes mining sites) to undertake payments related to the environment including in the form of pollution tax, annual fee for the inspection of classified installations, and tax on vapor and gas equipment. None of these types of payments to government related to the environment are listed in the CAR's EITI Reports raising questions around the comprehensiveness of disclosures of mining companies' payments to government related to the environment. In consultation, the IA explained that they had not covered these revenues despite visiting the Ministry of Environment because they were told that these environmental taxes and levies were not implemented in practice.</p>
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	<p>With regards to <u>environmental expenditures (to third parties)</u>, the CAR's EITI Reports have not yet commented on the existence of any environmental expenditures to third parties in the mining and petroleum sectors, as encouraged by Requirement 6.1.d, such as contributions to environmental rehabilitation funds.</p> <p>In consultations, several CSOs highlighted the importance of social and environmental contributions by mining companies to secure their social license to operate, but called for capacity building to improve government oversight of these contributions.</p>
Corrective actions and recommendations	
<ul style="list-style-type: none"> In accordance with Requirement 6.1, the Central African Republic should ensure public disclosures of all social expenditures by extractive companies mandated by law, regulation or contract, where such payments are material. The Central African Republic should ensure public disclosures of all payments by extractive companies to the government related to the environment mandated by law, regulation or contract, where such payments are material. To strengthen implementation, the Central African Republic is encouraged to ensure public disclosure of discretionary social and environmental expenditures and transfers by extractive companies, where material. 	

Background

Overview of the extractive industries

An overview of the extractive industries is accessible on the [country page](#) of the EITI webpage for the Central African Republic.

History of EITI implementation

The history of implementation is accessible on the [country page](#) of the EITI webpage for the Central African Republic.

Explanation of the Validation process

An overview of the Validation process is available on the EITI website.¹⁹ The [Validation Guide](#) provides detailed guidance on assessing EITI Requirements, while the more detailed [Validation procedure](#) include a standardised procedure for undertaking Validation by the EITI International Secretariat.

The International Secretariat's country implementation support team include Nassim Bennani and Papa Alioune Badara Paye, while the Validation team was comprised of Alex Gordy, Christina Berger and Papa Alioune Badara Paye. The internal review for quality assurance was conducted by Nassim Bennani, Gay Ordenes and Bady Baldé.

Confidentiality

The detailed data collection and assessment templates are publicly accessible [here](#).

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

Timeline of Validation

The Validation of the Central African Republic commenced on 1 April 2024. A public call for stakeholder views was issued on 1 January 2024. Stakeholder consultations were held virtually on 6-17 May 2024. The external expert appointed by the EITI Validation Committee to review progress on Requirement 1.3 on civil society engagement and adherence to the EITI protocol: Participation of civil society, IPIS, submitted its report in June 2024. The draft Validation report was finalised on 1 August 2024. Following comments from the MSG received on 11 September 2024, the Validation report was finalised for consideration by the EITI Board.

¹⁹ See <https://eiti.org/validation>

Resources

- Validation data collection file – Stakeholder engagement ([MSG oversight](#), engagement of [government](#), [industry](#) and [civil society](#))
- Validation data collection file – [Transparency](#)
- Validation data collection file – [Outcomes and impact](#)

Annexe A: EITI and Kimberley Process implementation scope

Overview of the extractive industries

The Central African Republic (CAR) is a major producer of diamonds and gold, with deposits of uranium, iron ore and that remain undeveloped. The country does not produce crude oil or natural gas, but limited (now-halted) oil and gas exploration focusing on the regions bordering Chad in the north has identified promising signs according to a 2015 World Trade Organisation [report](#). Deposits and production of diamonds are located in the country's south-west (the 'Carnot sandstone' area) and east (the 'Mouka-Ouadda sandstone' area), while that of gold is in the south-west, centre and north. The CAR is the world's tenth-largest producer of diamonds according to [data](#) from the African Minerals Development Centre. However, the CAR's gold production is primarily artisanal and small-scale semi-mechanised, with only one large-scale industrial gold mine. Given that diamonds in the CAR are alluvial and scattered across large areas, production has remained entirely artisanal according to a January 2024 [report](#) by the Global Initiative against Transnational Organized Crime (GITOC). Estimates of employment in ASM range from 110,000 according to the [African Minerals Development Centre](#) to 300,000 according to [Delve database](#), a significant contributor for the country's estimated 4.6m people.

A U.S. Agency for International Development (USAID) project implemented by the International Peace Information Service (IPIS) since February 2019 has sought to map artisanal mining sites in western CAR to support the establishing of responsible gold supply chains in the country. The survey [identified](#) a rise in gold ASM production from 1.98 tons in 2018 to 5.66 tons in 2019, with 97.5% of gold production not legally documented and illegally exported out of the country. Total diamond production was estimated at around 187,000 carats in 2019 according to [Delve database](#). Both gold and diamond production in the CAR have been linked to illicit financial flows and conflict financing. A May 2021 [report](#) from Interpol highlighted how criminal groups involved in illicit mining were benefitting from surging gold prices since the onset of the COVID-19 pandemic. There are examples of armed groups taking over either mines or local diamond and gold supply chains, beyond the traditional extortion along roads surrounding mining areas according to the January 2024 GITOC [report](#).

Scope of EITI adapted implementation

The CAR was admitted as an EITI country in 2008. Following publication of EITI Reports covering the period 2006-2010, the CAR underwent Validation and was declared 'compliant' with the EITI Rules in March 2011. Following the overthrow of the government of President François Bozizé by the Seleka coalition of rebels in March 2013 that led to counterattacks by the 'anti-balaka' militias and the imposition of an international embargo on all diamond exports from the CAR, the EITI Board decided to suspend the CAR due to political instability in April 2013. Following a request by then President Catherine Samba-Panza for the CAR not to be delisted by the EITI, the EITI Board decided to extend the CAR's suspension in May 2014. Although the CAR was still considered an EITI implementing country despite the suspension, the MSG ceased operations and the CAR did not publish any EITI Reports following the imposition of the suspension in April 2013.

Following President Faustin-Archange Touadéra's election in February 2016 and re-election in February 2021, the government reconstituted its EITI MSG, which approved a request to the EITI Board for a lifting of the EITI's suspension of the CAR and a proposal for adapted implementation of the EITI Standard in August 2021. While the country faced a volatile security situation, the

MSG's request to the EITI Board argued that there had been considerable improvements in the political, economic and security situation since December 2020. Following multiple United Nations resolutions and a peace deal between the government and armed groups in February 2019 (known as the 'Political Agreement for Peace and Reconciliation'), the MSG's request to the EITI Board noted that direct confrontations between the government's armed forces and insurgent groups had ceased and that the disarmament process was ongoing. The government had also secured support from the African Development Bank, the World Bank and the United States Agency for International Development (USAID) to support the revision of the CAR's institutional and legal framework for the extractive industries.

In October 2021, the EITI Board [agreed](#) to lift the CAR's suspension and to the MSG's request for adapted implementation of the EITI Standard. The Board decision set a deadline of 31 December 2022 for the publication of the CAR's first EITI Report under the adapted implementation regime, which was allowed to be based on unilateral government disclosures of revenues. With regards to the terms of the CAR's adapted implementation, which was timebound until the country's next Validation commencing on 1 April 2024, the Board decision allowed the CAR to limit the scope of its EITI disclosures to the areas approved as compliant with the Kimberley Process. The EITI Board explicitly recognised the government's concerns that neither authorities nor the MSG had the means to fully implement the requirements of the EITI Standard across the country. Recognising the three constituencies' efforts to re-start EITI implementation in the country, the Board decision required the government to continue its efforts to fully implement the EITI Requirements in coming years and to ensure comprehensive adherence to the EITI protocol: Participation of civil society, throughout the country. The Board reaffirmed the requirement for the MSG, through the EITI Report, to assess the quality and comprehensiveness of EITI disclosures, and recommended that the CAR EITI strengthen collaboration with the Kimberley Process to find a sustainable solution for ensuring transparency in the country's natural resources.

Scope of Kimberley process

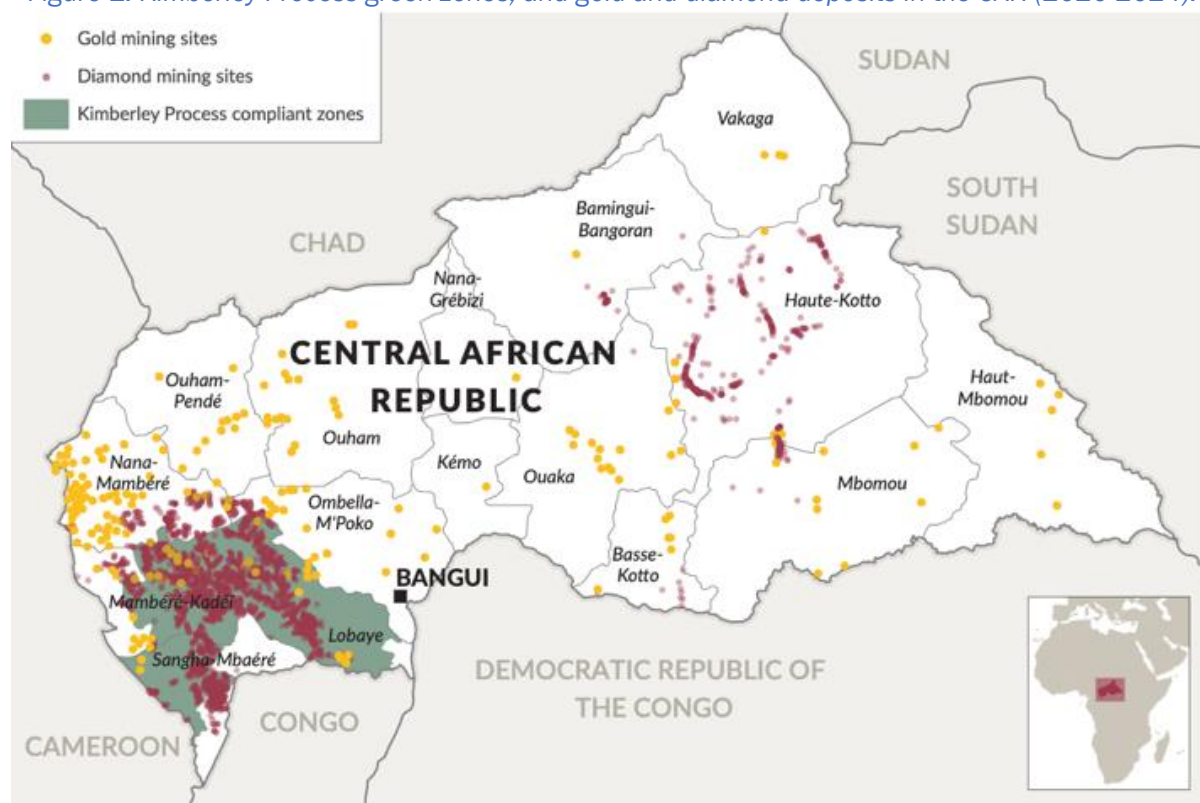
The CAR originally joined the Kimberley Process at its inception in January 2003. Following a coup d'état by Francois Bozizé against the regime of Ange-Félix Patassé in March 2003, the Kimberley Process launched a first review of the CAR's Kimberley Process in June 2003. This first review [confirmed](#) the Kimberley Process' view that the CAR continued to have the ability and capacity to implement the process. The period from 2010 to 2012 witnessed growing activity by non-state armed groups, which drew resources from diamond mining in the country and led to greater vigilance from the Kimberley Process over diamonds from the CAR, particularly from the country's eastern regions according to a January 2024 [report](#) by the Global Initiative against Transnational Organised Crime (GI-TOC). Following the rise of the Séléka rebel coalition and its successful coup d'état in March 2013, the Kimberley Process implemented a suspension of the CAR and an international embargo on diamonds produced in the country. Although the Séléka coalition was disbanded by its leader Michel Djotodia in September 2013, constituent militant groups were reported to have continued to exploit diamonds and gold in eastern and western CAR thereafter according to GI-TOC's January 2024 [report](#).

The full international embargo on diamond exports from the CAR remained in place until June 2015. Following a stabilisation of south-western CAR, the Kimberley Process exempted eight diamond-producing prefectures²⁰ in the country's south-west from the international embargo on diamond exports and allowed the resumption of legal exports from these areas, starting in 2016.

²⁰ The Kimberley Process "compliant" prefectures of Boda, Berberati, M'baiki, Boganagone, Boganda, Gadzi, Carnot and Nola have been deemed compliant with the Kimberley Process since 2016.

The eight prefectures were deemed compliant with the Kimberley Process given that they are deemed to be under sufficient control by government forces, the lack of evidence of systematic diamond-mining activities by armed groups, the security situation broadly allows for normal trade, and the government has established the Kimberley Process infrastructure in those areas without evidence of fraud or contraband.

Figure 1: Kimberley Process green zones, and gold and diamond deposits in the CAR (2020-2024).



Source: Global Initiative Against Transnational Organised Crime (2024), accessed [here](#).

This implies that 16 of the 24 diamond-producing prefectures in the CAR remain non-compliant with the Kimberley Process. Of these, ten prefectures are considered “priority areas” for the Kimberley Process, in which Kimberley Process infrastructure has been established and the security situation is considered to have stabilised. These eight “priority” prefectures include four in the country’s west²¹ and four in the east²², as well as two additional prefectures²³ in the country’s west that are considered to still face security challenges. The six remaining eastern prefectures²⁴ that are not yet considered “priority” areas for the Kimberley Process continue to face serious security challenges. The government implemented a new decree (Decree 20.263) on the Kimberley Process in July 2020, establishing a separate Kimberley Process structure (SPPK-RCA) to certify rough diamonds in accordance with international requirements as a means of expanding the number of Kimberley Process compliant prefectures.

²¹ The Kimberley Process “priority” prefectures in the country’s west are Abba, Bouar, Baoro and Sosso Nakombo.

²² The Kimberley Process “priority” prefectures in the country’s east are Bangassou, Bakouma, Bria and Gambo.

²³ The two Kimberley Process “priority” prefectures in the country’s west that are considered to still face security challenges are Amada Gaza and Gamboula.

²⁴ The six Kimberley Process prefectures in the country’s east that are not yet deemed “priority” areas are Est, N’Délé, Ouadda, Yalinga, Kembé and Satema.

Impact of Kimberley process on the CAR's extractive industries

The international embargo on the CAR imposed in April 2013 focused on the trade in diamonds, not gold. Although the vast majority of both types of mineral commodities produced in the CAR is exported, the structure of the upstream value chain in diamonds and gold differs significantly. According to international reports such as the January 2014 [report](#) by GI-TOC, rough diamonds can only be valued and sold once polished and cut, which implies that there can be no valuation of diamonds in the CAR given the lack of domestic diamond polishing and cutting infrastructure. Thus, the majority of artisanal diamond mining, which accounts for the vast majority of diamond production in the CAR, depends on a complex system of pre-financing that links the buying houses in overseas countries (particularly the United Arab Emirates) with buying houses in the CAR and ultimately artisanal miners themselves. In contrast, while most gold produced in the CAR is also exported, there is infrastructure in the country to value the mineral commodity and for artisanal and semi-mechanised miners to sell their output on the domestic market. The January 2014 [report](#) by GI-TOC argues that, while the Kimberley Process has led to a reduction in the financing of conflicts linked to diamonds, it did not lead to an overall reduction in the extractive industries' financing of conflict given a shift of armed groups towards gold mining.

Legal diamond exports from the CAR have continued to grow since the partial lifting of the embargo on the eight "compliant" prefectures in 2015. The CAR's official diamond exports under the Kimberley process have steadily increased, from 103,647 carats valued at USD 11.4m in [2021](#) to 115,522 carats worth USD 13.9m in [2022](#) according to the CAR's Kimberley Process Permanent Secretary's annual reports. However, the level of formal diamond exports from the CAR has remained below output prior to the embargo in 2013, which most observers attribute to the continued ban on international exports on diamonds produced in the 16 other prefectures not yet deemed compliant with the Kimberley Process. However, international reports have also highlighted the long timelines for Kimberley Process approval of diamond exports and the prevalence of individual non-state-owned buying houses as other reasons for lower exports. In particular, [data](#) from the African Minerals Development Centre notes diamond miners are estimated to sell 93.75% of their output to individual buying houses rather than the state-owned Comptoir des Minéraux et Gemmes (COMIGEM), established in the 2009 Mining Code.

The Kimberley Process has made efforts to address these challenges, particularly those related to long timelines for export permissions, including through greater use of digital imagery for inspections. However, international observers like GI-TOC's January 2024 [report](#) note that a large share of diamonds produced in the country's south-west are exported informally rather than being certified by the Kimberley Process and exported legally.

Annexe B: Political and security context for the CAR's EITI process

Methodology

Due to concerns expressed by stakeholders related to the enabling environment for EITI implementation in the country, the International Secretariat's Validation team has conducted a detailed assessment of the Central African Republic's adherence to Requirement 1 of the 2019 EITI Standard and the EITI Protocol: Participation of civil society.²⁵

The assessment follows the Validation Guide, which defines guiding questions and related evidence that should be considered in cases where there are concerns.²⁶ For contextual purposes, the Validation provides an overview of the broader political and security situation in the country and formalisation plans in the country's extractive sector.

A call for stakeholder views on progress in EITI implementation was launched on 3 January 2024²⁷, in accordance with the Validation procedure. The assessment draws on the information provided in responses to that call for views, the Stakeholder engagement file, stakeholder consultations and secondary literature on the CAR from reputable sources.

Political developments

The CAR has faced domestic conflict since 2012. Following rising ethnic-religious tensions, driven in part by a sense of economic exclusion from commercial activities such as livestock and mining that have traditionally been dominated by Muslims according to BTI's 2022 [report](#) on the CAR, fighting broke out between the predominantly Christian and animist anti-Balaka militia and the primarily Muslim Séléka rebel coalition in 2012. Supported by Chadian and Sudanese mercenaries according to the International Crisis Group ([ICG](#)), the Séléka rebels overran the capital Bangui and seized power in a coup d'état against President François Bozizé in March 2013. Although the Séléka coalition launched a political transition and was disbanded as a rebel coalition by its leader Michel Djotodia in September 2013, the confrontations between the Séléka and the anti-Balaka militias escalated into a civil war. International pressure on Michel Djotodia to relinquish power led to the Séléka retreating to the country's north. France deployed a peace-keeping operation to the CAR in late 2013 named 'Sangaris', which aimed at stabilising the security situation to enable the holding of national elections.

A December 2015 referendum approved a new constitution for the country, which was formally enacted in March 2016, paving the way for national elections. President Bozizé's former Prime Minister Faustin-Archange Touadéra was elected president in March 2016, following elections that were [considered](#) free and fair by the international community. While insecurity and violence had declined since 2015, the Touadéra administration faced a resumption of violent insurgency by rebel groups after the 2016 elections. In the framework of the African Union-led and United Nations-supported African Initiative for Peace and Reconciliation in CAR, peace talks between the government and 14 distinct rebel groups culminated in a Political Agreement on Peace and Reconciliation reached in Khartoum and signed in Bangui in February 2019. There are differing views about the process in implementing the 2019 Khartoum agreement, with the government

²⁵ <https://eiti.org/document/eiti-protocol-participation-of-civil-society>.

²⁶ <https://eiti.org/document/2021-eiti-validation-guide>.

²⁷ <https://eiti.org/offers/central-african-republic-2024-eiti-validation-call-views-stakeholder-engagement>.

claiming that direct confrontations between state forces and rebel groups had ceased, while international observers like the [United Nations](#) Independent Expert on the Central African Republic and development partners like the Swiss Development Cooperation Agency ([SDCA](#)) claiming that confrontations have continued. Exiled former President Bozizé established a coalition of rebel groups in December 2020 called the Coalition of Patriots for Change (CPC), convening elements from both the Séléka and the anti-Balaka, which sought to regain control of the country's major cities and the capital Bangui. In the country's south-east, the Azandé Ani Kpi Gbé group emerged as another rebel group contesting power.

Following national elections in late 2020, President Touadéra was re-elected to office in January 2021. The UN mission to the CAR (MINUSCA) reported that the elections were marred by rebel groups' attempts to disrupt the elections, including from forces allied with former President Bozizé whose candidature for President was invalidated by the Constitutional Court. Only a third of eligible voters participated in the elections due to threats from armed groups, according to Human Rights Watch ([HRW](#)). The re-elected administration declared a state of emergency in January-August 2021 and launched a counter-offensive against rebel groups to recapture occupied territories. In September 2021, the International Conference on the Great Lakes Region (ICGLR) adopted a joint roadmap for peace in the CAR that led to President Touadéra declaring a ceasefire between Central African Armed Forces (FACA) and rebel groups and the convening of a national dialogue in Bangui in March 2022. However, the exclusion of the CPC from this national dialogue led to a general boycott of the process by the main opposition leaders, with continued clashes between the FACA and the CPC despite the ceasefire.

An outcome of the national dialogue in 2022 were proposals by President Touadéra's administration for revisions to the country's constitution. Local elections originally planned for September 2022, the first since 1988, were successively delayed to January 2023, to July 2023 and most recently to 2024, reportedly due to funding and logistical constraints. However, observers including the [United Nations](#) have linked the delays in local elections to the efforts to organise a national referendum on the proposed constitutional changes. The national referendum on the new [Constitution](#) was held in July 2023 and led to the approval of the constitutional reforms by a reported 95% of those casting a vote, although [critics](#) have argued that voter turnout was as low as 10% of eligible voters. The results were approved by the Constitutional Court in August 2023, although this followed the replacement of the head of the Constitutional Court in November 2022 that was [criticised](#) by the political opposition as an "institutional coup". The key revisions to the constitution include removing presidential term limits and extending the President's term from five to seven years. The referendum was criticised by western governments including the [United States](#), over the integrity of the election process.

Security developments

Following the March 2013 coup d'état, the United Nations Security Council adopted resolution [2127](#) in December 2013 imposing an embargo on arms sales to the FACA. In April 2014, the UN Security Council adopted resolution [2149](#) establishing the UN Multidimensional Integrated Stabilization Mission in the CAR (MINUSCA) as a peacekeeping force, whose mandate has been renewed annually since then. The MINUSCA was initially resourced with 10,000 military personnel, which expanded to 15,000 troops as of 2021, making it the world's largest UN peacekeeping operation. The embargo on arms sales to the FACA increased the government's reliance on the MINUSCA peacekeeping force, according to observers such as [Amnesty International](#). France's peacekeeping 'Sangaris' operation ramped up from an initial deployment of 600 troops to 1200 troops by the end of 2013, before declining to around 900 troops in late 2015. In the final rounds of the 2016 elections, France announced that it would withdraw the

majority of its troops under the Sangaris operation by the end of the year, in light of the improving security situation and the conduct of the national elections. The Sangaris operation in the CAR officially closed in October 2016.

Following France's military withdrawal, in December 2017 Russia received an exemption from the UN arms embargo to deliver a free shipment of arms to the CAR that took place in the first quarter of 2018. At the first Russia-Africa Summit in Sochi in August 2018, the CAR concluded a military cooperation agreement with Russia that would lead to Russia providing training for CAR armed forces both in Russian military academies and through the supply of an initial 170 Russian military instructors in the CAR. Several international observers including the Royal United Services Institute ([RUSI](#)) and the Institute for Security Studies ([ISS](#)) have argued that the Russian security contractor Wagner Group deployed an initial 600 troops, which subsequently rose to 1200-2000, to the CAR under the guise of being 'military advisors', but that they were active in supporting the FACA's efforts to recapture rebel-held territories in exchange for rights to mining sites. This is disputed by the CAR Government, which states that the Wagner Group provides close protection services to the President and provides military training for the FACA. The Russian Government announced the deployment of 300 'military instructors' directly employed by the Russian armed forces in December 2020 in the context of the national elections, but these were withdrawn in January 2021 according to [RUSI](#). In the context of the government's counter-offensive against rebel groups in 2021, the Wagner Group reportedly supported the government in establishing and training 12 new military units and Russia significantly expanded its arms deliveries to the CAR according to observers such as the UN Panel of Experts and a June 2023 [report](#) from the NGO 'The Sentry'. Violence and allegations of human rights abuses by both FACA and the Wagner Group on the one hand, and rebel groups on the other hand, rose significantly from 2021 onwards according to successive UN Secretary General [reports](#) on the CAR. Amidst growing military ties between the CAR and Russia, France withdrew its final soldiers from the country in December 2022, while development partners such as the World Bank and the European Union delayed their budget support and called for greater transparency in security-related government expenditures according to BTI's 2022 [report](#) on the CAR.

In 2022, the CAR Government concluded a new security agreement with Rwanda for the deployment of a small contingent of (150) Rwandan armed forces in Bangui, supplementing Rwanda's existing deployments as part of MINUSCA. Media [reports](#) in late 2022 identified some 2000 Rwandan troops in the country, in addition to the country's MINUSCA deployment, with some troops sighted outside of the capital Bangui. International media reports including in the [Africa Report](#) and the International Crisis Group ([ICG](#)) have described the Rwandan armed forces' primary objective to help ensure the President's security alongside the Wagner Group. More recently in early 2024, the US-based private military group Bancroft Global Development was [reported](#) to be in talks with the CAR Government for training of military personnel.

Extractive industries implications

In the aftermath of the March 2013 coup d'état, the United Nations imposed an embargo on diamond exports from the CAR, alongside its embargo on arms sales to the country. Likewise, the EITI Board suspended the CAR due to political instability in April 2013, which was subsequently extended beyond a year-long suspension in May 2014. In July 2015, the United Nations and Kimberley Process agreed to partially lift the embargo on CAR diamond exports, allowing for the resumption of licit diamond sales from eight prefectures in the country's south-west that were deemed 'compliant' with the Kimberley Process (see *Annexe A*). The EITI Board's suspension of the CAR was lifted in October 2021, allowing the CAR's EITI reporting to focus on the eight KP-

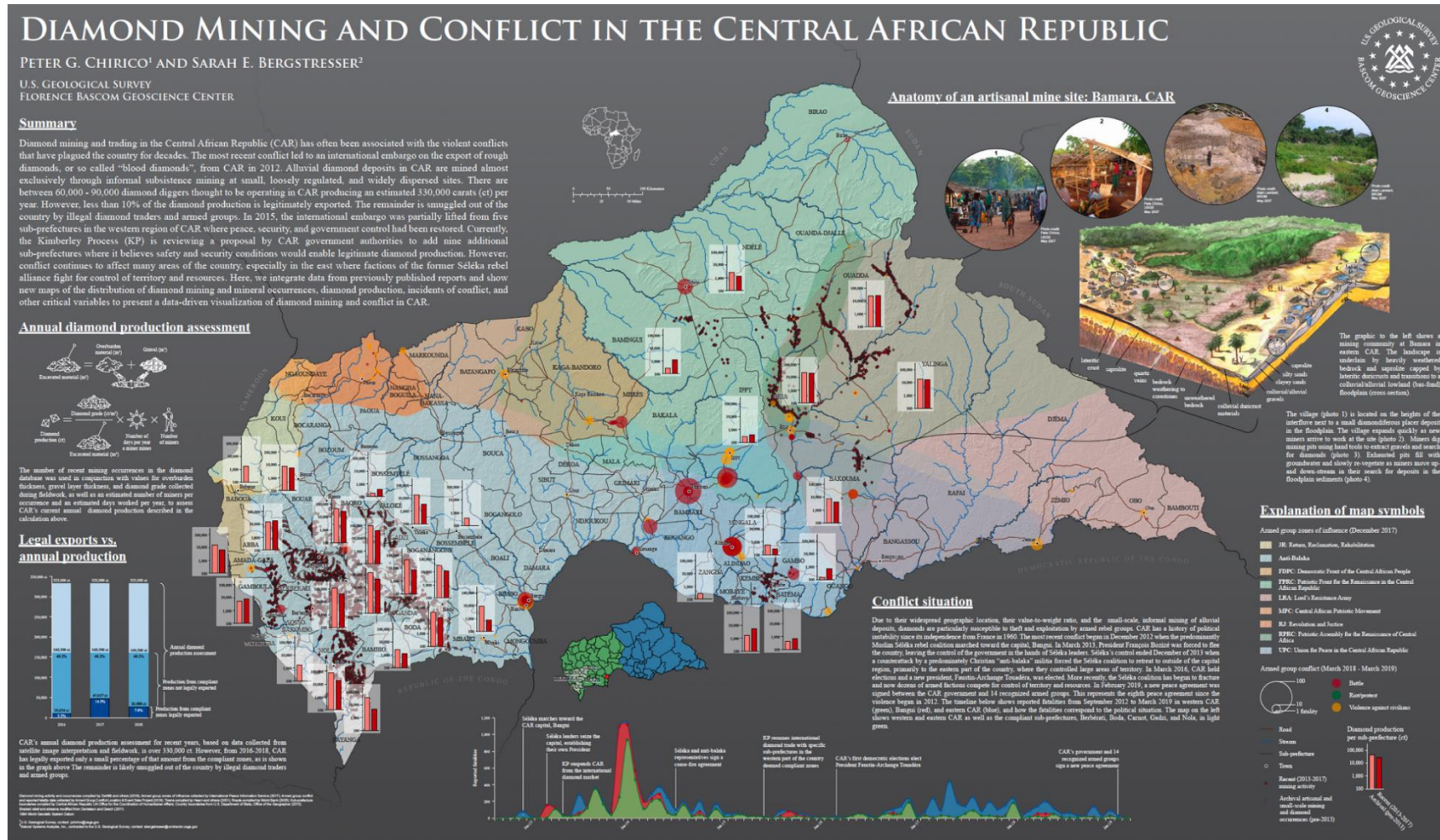
compliant prefectures in the country's south-west. No embargos have been placed on gold exports from the CAR to date (see *Annexe A*).

More recently, a number of Western governments have imposed targeted sanctions on several Russian nationals and companies affiliated to the Wagner Group operating in the CAR since late 2021. In December 2021, the European Union (EU) imposed a travel ban and asset freezes on the Wagner Group, as well as eight individuals and three companies linked to the group, which included the National Security Advisor to President Touadéra, the Russian national Valeriy Nikolayevich Zakharov. The United Kingdom and the United States imposed sanctions on the Wagner Group in March 2022 and January 2023 respectively, branding the organisation a “significant transnational criminal organization”. By July 2023, the US, UK and EU governments had imposed sanctions on a total of 13 Wagner Group-affiliated individuals and companies operating in the CAR, including mining companies Midas Resources SARLU (operator of the Ndassima gold mine), Diamville SAU (a diamond buying and exporting company) and Lobaye Invest SARLU (a company investing in gold and diamond mining).

International reports indicate that the upsurge in violence since 2021 has focused on control of key mining areas in particular. For instance, the UK Parliament's ‘Guns for gold’ [investigation](#) in 2023 and the US Department of State's 2022 Human Rights [report](#) on the CAR have noted that Wagner Group interventions have focused on securing mining exploration and production areas such as Lobaye and Haute-Kotto, alongside their close security protection of President Touadéra. International press coverage from outlets such as [the Guardian](#) (UK) and [the New York Times](#) has reported extensively on conflict in mining regions, highlighting the focus of fighting to secure key mining sites. In 2023, the UN Panel of Experts reported that the FACA, with Wagner Group support, were concentrating offensives in key mining areas according to a 2023 [report](#) by GI-TOC.

The security situation remains fragile and tense in the CAR, amidst a flow of refugees fleeing fighting in Sudan since April 2023. Conflicts between rebel groups and the FACA, supported by the Wagner Group and Rwandan troops, had led to hundreds of thousands of citizens being internally displaced and nearly half of the population (some 2.8m people) depending on humanitarian aid according to aid agencies such as the [SDCA](#) and the UN Office for the Coordination of Humanitarian Affairs ([OCHA](#)). International observers like France's credit insurance company [COFACE](#) link the upsurge in confrontations between rebel groups and the state to the proposed constitutional reforms in 2023. State control of the national territory vary significantly by region as of 2024. The state has established control over the country's south-west, which started to stabilise from 2016 onwards, while the country's north and north-east continue to witness substantial conflict with rebel groups according to a January 2024 [report](#) by GI-TOC.

Source: Diamond Mining and Conflict in the Central African Republic, presented at the 2019 American Association of Geographers Annual Meeting, accessed [here](#).



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Annexe C: Adherence to the EITI protocol: Participation of civil society

Secretariat Assessment

Methodology

Due to concerns expressed by stakeholders related to the enabling environment for civil society engagement in the EITI, the International Secretariat's Validation team has conducted a detailed assessment of the Central African Republic's (CAR) adherence to the EITI Protocol: Participation of civil society.²⁸

The assessment follows the Validation Guide, which defines guiding questions and related evidence that should be considered in cases where there are concerns about potential breaches of the civil society protocol.²⁹ For contextual purposes, the Validation provides an overview of the broader enabling environment for civil society participation in country's extractive sector. The assessment seeks to establish whether legal or practical restrictions related to the broader enabling environment have in practice restricted civil society engagement in the EITI in the period under review. It focuses on the areas where there are concerns regarding adherence with the civil society protocol.

A call for stakeholder views on progress in EITI implementation was launched on 3 January 2024³⁰, in accordance with the Validation procedure. The assessment draws on the information provided in responses to that call for views, the Stakeholder engagement file, and stakeholder consultations.

The Secretariat's assessment was informed by the report of an external expert commissioned by the Validation Committee and the Secretariat for the purpose of having an independent assessment of Requirement 1.3. The external expert's assessment confirms the Secretariat's finding that there are breaches of the Civil Society Protocol.

Overview of broader environment for civil society engagement

The CAR's rating in international rankings of civic space has remained relatively constant at a very low base during the period under review in this Validation. The CAR's ranking in [Freedom in the World](#) declined modestly from 10/100 to 7/100 within the same assessment of 'not free' between 2020 and 2023, emphasising the pervasive insecurity and absence of state authority in many parts of the country that mean that CSOs operate at great personal risk. The country's rating by [CIVICUS](#) improved marginally from 'closed' to 'repressed' in the same period, although the assessment continues to highlight bans on public demonstrations, criminalisation of press

²⁸ <https://eiti.org/document/eiti-protocol-participation-of-civil-society>.

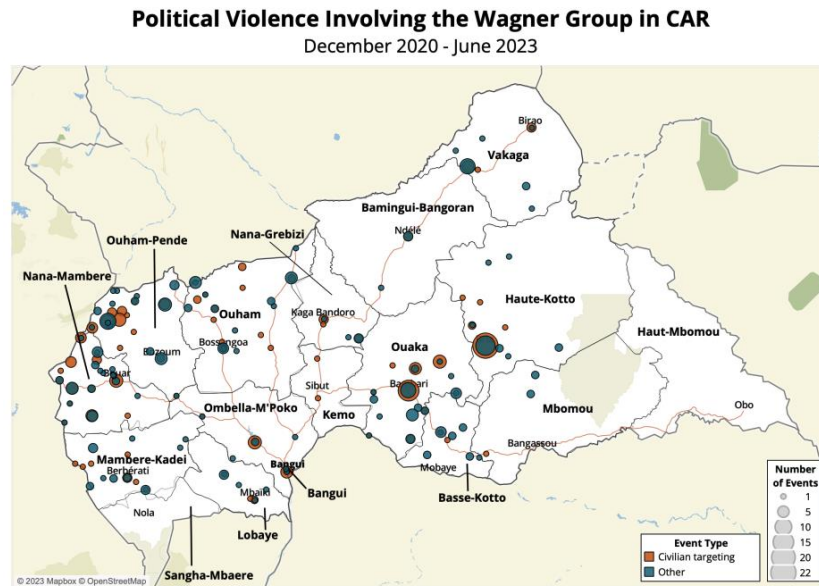
²⁹ <https://eiti.org/document/2021-eiti-validation-guide>.

³⁰ <https://eiti.org/offers/central-african-republic-2024-eiti-validation-call-views-stakeholder-engagement>.

offenses and human rights abuses by the state armed forces and their military contractors. The US Department of State's reports on human rights practices on the CAR have remained consistent between [2020](#) and [2022](#), highlighting significant human rights abuses including extra-judicial killings by the state armed forces as well as their private military contractors, restrictions on free expression and the media, and substantial interference with the freedom of peaceful assembly. The Reporters without Borders (RsF) [rating](#) of the CAR remained relatively constant as well, at 98/198 in 2023, citing the pressure, threats, violence and cyber-harassment against journalists in the country on the part of both government officials and non-state actors. There are no official statistics on the number of CSOs operating in the CAR. Estimates of the number of CSOs active in the country range from several hundreds to thousands, including a diverse set of organisations such as service-delivery NGOs working on development projects, research and advocacy organisations. With support from the EU, Oxfam and its implementing partner *Initiative Démocratie Développement Durable* (I3D) have implemented the Strengthening and Participation of Central African Civil Society (REPASOCC) project since July 2021. The project established a Maison des Services (MDS) to support some 320 CSOs in structuring their projects and mobilising resources according to the [EU](#). A baseline [study](#) on CSOs in the CAR prepared for OXFAM in 2018 found that a majority of CSOs focused their activities in the capital Bangui and zones in the country's south and west, with less activities in the north and east. The study found that only around a third of CSOs had activities in more than five of the country's 20 prefectures.

Reports from international bodies including the UN Office for the Coordination of Humanitarian Affairs ([OCHA](#)) and Human Rights Watch ([HRW](#)) indicate that government forces' control of areas outside the capital Bangui varies significantly. Government control of the country's south-west has been more robust than in areas of the country's north and east (see *Annexe B*). In an environment of persistent clashes between the government, supported by private security contractors, and rebel groups, the CAR continues to face a humanitarian crisis with one in five citizens internally displaced and nearly half of the population (around 2.8m people) dependent on humanitarian assistance in 2024 according to the UN [OCHA](#). International rankings of civic space in the CAR, including [Freedom in the World](#), [CIVICUS](#), [Human Rights Watch](#) and the US Department of State's human rights [reports](#) have accused both rebel groups and the FACA, supported by private security contractors, of committing human rights abuses against civilians. The non-profit Armed Conflict Location Event Data Location (ACLED) has published [research](#) suggesting that some 37% of all reported incidents of political violence in the CAR involved Wagner Group forces between December 2020 and May 2023.

Figure 3: Political violence involving the Wagner Group in the CAR (2020-2023)



Source: Armed Conflict Location Event Data Location (ACLED), 2023, accessed [here](#).

Allegations of human rights violations levelled at the government's security contractors appear to relate to armed interventions in mining areas of the CAR, given the FACA and the government's security contractors' reported focus on securing mining areas from rebel forces (see *Annexe B*). There have also been allegations of human rights abuses levelled at Chinese mining companies by organisations like [Amnesty International](#) and covered in international media like [the New York Times](#). The accusations of human rights abuses against FACA and the government's security contractors have been strongly disputed by the CAR Government, which has blamed rebel groups for all instances of killings of civilians, including the murder of nine Chinese mine workers in March 2023 and the killing of three Russian journalists in July 2018 among others according to media coverage in [the New York Times](#) and the [BBC](#), among others.

In recent years, the government has established a series of policies and plans aimed at addressing the human rights situation in the country, according to the February 2024 national [report](#) submitted to the UN Human Rights Council as part of the CAR's Universal Periodic Review. The government issued a new National Policy Document on Human Rights in 2023, while several line ministries have issued sector-specific plans on human rights including the 2019-2030 National Health Policy, the third National Plan on Healthcare Development, the 2020-2029 Education Plan, the 2019-2023 National Strategy to Combat Gender-based Violence, Child Marriage and Female Genital Mutilation and the second National Action Plan on Security Council Resolution 1325 (2000) on Women and Peace and Security. Nonetheless, recent civil society briefings to the UN Committee on the Elimination of Discrimination against Women (such as this [briefing](#) from February 2024) indicate that some segments of the population, including Muslims, face religious discrimination and continue to be "*disproportionately targeted for arbitrary detention, torture, enforced disappearances and extrajudicial executions*".

The external expert complements the Secretariat's overview of civic space in the CAR, noting that all international reports, as well as the national civil society representatives interviewed in this Validation process, agree that the civic space in the Central African Republic has dramatically

been constricted since the year 2018. According to the expert's report, tolerance or oppression of the civic space also depend on the topic of the advocacy a CSO works on. Typically, CSOs working in the humanitarian, health or education sectors will be tolerated and even encouraged to find international funding opportunities for their work. However, themes such as natural resources, defence, and security are considered sensitive topics where CSOs experience restraints.

Expression

The CAR's 2016 Constitution (Article 15) guarantees freedom of expression and of the press, provisions that were maintained in the 2023 Constitution. However these rights face limitations in practice according to international NGOs such as [Humanists International](#), [RsF](#), the Committee to Protect Journalists ([CPJ](#)) as well as the US Department of State's Human Rights [reports](#). These organisations report a pattern of threats and intimidation of individuals publicly critical of the government, unlawful state surveillance of journalists' phones and violence against journalists that is attributed to groups deemed affiliated to the government, such as military contractors.

Radio remains the dominant media in the CAR. There are two television channels in the country, both state-owned and considered to relay the government's arguments, and two press agencies (Agence Centrafrique Presse (ACAP) and La Nouvelle Centrafrique). In contrast, there are around 20 radio stations across the country, including four radio stations in Bangui with an online broadcast [channel](#) also catering for the CAR's diaspora. Some of the most popular radio stations include the privately-owned Radio Ndeke Luka, the state-owned Radio Centrafrique and confessional radios. There are also around 60 printed press media around the country according to [RsF](#). While Internet penetration remains a low 10.6% (in [2021](#)) centred on Bangui and the major cities, online news and information (such as Sangonet, Centrafrique Presse and Centrafrique Libre) have become increasingly important sources for urban citizens and the diaspora, alongside platforms like Facebook, WhatsApp and Instagram.

The CAR's rating in [RsF](#)'s ranking of press freedom has rebounded slightly from its drop from 65th of 197 countries in 2013 to 112th of 180 countries in 2016 to reach 98th of 198 countries in 2023. The press reportedly remains under significant pressure from the government according to [RsF](#), particularly around times of elections or referendums. The [RsF](#) rankings have highlighted how the security challenges have restricted freedom of expression in light of ongoing attacks on the media from both state and non-state actors. The [RsF](#) ranking notes that *"in a country where insecurity has persisted since the end of the civil war, journalists and the media continue to be caught between armed groups and the authorities, whose rapprochement with Russian forces has been accompanied by a significant spread of misinformation."* The situation is reportedly more challenging outside of the capital Bangui, where open dissent with government policies is reportedly not tolerated. Yet [RsF](#) reports on cases of medias such as Radio Ndeke Luka, the Network of Journalists on Human Rights (*Réseau des journalistes pour les droits de l'homme* - RJDH) and associations of bloggers and the more meticulous fact-checkers regularly came under

pressure. RsF has also drawn attention to the lack of follow up or investigations of crimes against journalists, including high-profile cases.³¹

The CAR enacted a new Law (20.027) on Freedom of Communication in December 2020, which covers the press and media. While designed to be more protective of journalists, the law was criticised by [RsF](#) for allegedly not allowing space for independent and quality journalism. While the law on communications specifically decriminalised press offenses, RsF raised concerns over a new draft law in October 2022 seeking to criminalise press offenses once again and to broaden the media regulator's powers. The [CPJ](#) has raised concerns over the sanctions under the criminal defamation provisions of the 2020 Law on Freedom of Communication (Article 145), with sanctions ranging from XAF 100,000 (around USD 180) to XAF 500,000 (around USD 900). RsF has highlighted lawsuits being filed based on inflated charges under provisions of the Penal Code related to defamation, incitement to religious or ethnic hatred, or publication or broadcast of false information that could disturb public peace. The media regulator is the High Council of Communication (HCC), which has been criticised by [RsF](#) for arbitrary sanctions of media outlets.

RsF documents specific cases of retaliation against media entities, albeit not related to the extractive industries. In 2022 for instance, the Minister of Communications informed one of the leading radio stations that their partnership agreement would be reviewed and that the radio station's taxes would rise, after the station broadcast several shows critical of the country's governance according to [RsF](#). In a second high-profile case in 2021, the Committee to Protect Journalists (CPJ) [advocated](#) on behalf of journalist Landry Ulrich Nguema Ngokpélé (publication director of the privately owned *Le Quotidien de Bangui*), who was arrested for criminal defamation under the 2020 Law on Freedom of Communication following publication of an article on local government corruption and held overnight. Local media associations have raised concerns over the detention of Nguema Ngokpélé, including the Consortium of Central African Journalists Against Disinformation. The US Department of State [reports](#) another incident in June 2022 when state security forces publicly threatened an NGO worker in Bangui over allegations of spreading disinformation on FACA abuses.

Human Rights Watch has [documented](#) rising tensions and government threats against civil society during periods of elections or referendums. In 2023 for instance, the rising tensions and conflicts between government and rebel groups in the run-up to the July referendum on the constitution and the expected local elections planned also for July at the time. HRW's reporting accuses government representatives, including the police, had threatened civil society, accused activists of collaborating with armed groups, and preventing political opposition protests.

The weaknesses in the news media's technical and financial capacities have reportedly been compounded by the rise of misinformation campaigns on national media, according to the international media and think tanks. International NGOs such as '[All Eyes on Wagner](#)' have identified several media and civil society organisations linked to the government's security contractors, including the Radio [Lengo Songo](#), the pan-African NGO [Aimons Notre Afrique](#), and a plethora of information websites such as *Le Monde En Vrai*, an imitation of France's *Le Monde*. In parallel, HRW [reports](#) that two political associations closely aligned with the ruling United Hearts

³¹ RsF has drawn attention to the lack of investigation of crimes against high-profile journalists including Elisabeth Blanche Olofio, Désiré Luc Sayenga, René Padou, Camille Lepage, Orhan Djemal, Kirill Radtchenko and Alexandre Rasstorgouïev.

Party (*Mouvement des Cœurs Unis* – MCU) coordinated popular support, particularly through youth associations, for the 2023 referendum, including by paying groups such as the *Requins* (Sharks) and *Galaxie Nationale* (National Galaxy) to harass opponents both online and in the street. HRW alleges that the government’s strategy is to amplify its message through youth associations’ openly threatening individuals as opponents in order to instil a general fear among civil society.

There are reports including from HRW of ‘red lines’ that journalists and civil society in the CAR will not discuss publicly, including issues related to the extractive industries. These ‘taboo’ topics are [reported](#) by HRW to include the Russian or Rwandan armed presence in the country, the rise in insecurity, Chadian rebels supported by Russians, or the Ndassima gold mine, the sole large-scale industrial mining license in the country owned by Midas Ressources, an entity controlled by the one of the government’s security contractors according to [sanctions](#) against Midas Ressources by the United States. Nonetheless, the MSG’s ‘Stakeholder engagement’ template states categorically that there are no government constraints on the freedom of expression of CSOs substantially engaged in the EITI process.

There is however evidence of a public altercation involving the EITI National Coordinator and a foreign civil society representative not represented in the CAR’s EITI process, at a Kimberley Process event in Zimbabwe in early 2023. Following a public statement by the civil society representative at the event, the EITI National Coordinator reportedly made multiple threats of violence against the CSO, according to several CSOs and development partners consulted. Several CSOs and development partners considered that this reflected the risks faced by independent CSOs in CAR if they expressed critical views about the government in public. Following the event, the Kimberley Process civil society coalition sent an official letter to the Kimberley Process Chair, who issued a public statement reiterating the importance of the protection of civil society’s independence in the process. In consultations, the EITI National Coordinator explained that this had simply been a heated argument rather than genuine threats. The concerned civil society representative noted that the CAR EITI had acknowledged the altercation, but criticised the lack of apology.

The sole CAR-based CSO engaged in the Kimberley Process civil society coalition, the Central African Centre for Geopolitical Research and Analysis (*Centre Centrafricain de Recherche et d’Analyse Géopolitique* – CCRAAG), has also reportedly faced arrest by the government and assaults by unidentified parties. Paul-Crescent Beninga, the director of CCRAAG, regularly leads public demonstrations on issues such as access to water and electricity, including recently in [April 2024](#), and has been arrested on several occasions, including for insurrection in [2019](#) before being subsequently released. Some CSOs consulted considered that the sole CAR-based CSO representative in the Kimberley Process could not operate with an entirely free hand given concerns over potential retaliation from government.

With regards to constraints related to the EITI process or public debate on extractive industry governance more specifically, stakeholder consultations highlighted robust and vigorous public debate about extractive industry issues. Development partners consulted noted that the public meetings on the Mining Code reforms had been active and critical, which seemed to show that stakeholders did not refrain from discussing extractive issues in public. However, the strong views expressed during those public fora did not seem to have influenced the final version of the

Mining Code. Several CSOs involved in the EITI process argued that they considered that they could express themselves freely about any issue, including sensitive topics related to the extractive industries, without any fear of reprisals from government. They explained their lack of public expression on issues such as the sole active large-scale mining license for the Ndassima gold mine was due to their capacity constraints and lack of access to relevant information, rather than self-censorship. However, consulted CSOs explained their lack of request for such information through the EITI process as being due to their focus on capacity building on the EITI Standard since 2022, rather than a desire not to raise such issues on the MSG. There is evidence that CSOs substantially engaged in the EITI process have made some attempts at raising sensitive issues in a few bilateral engagements with government, rather than through the MSG. Thus, the [minute](#) of Minister of Mines and Geology Benam Beltoungou's meeting with CSOs in October 2023 indicates that CSOs had wished to raise the issues of the identity of the Russian operator of the Ndassima gold mine, extractive companies linked to the government's security contractors (*Lobaye Invest*, *Wood International Group* and *Bois Rouge*), the Turkish company Koza Gold Corp.'s rights to exploit uranium in Bakouma, and the Nzila cement factory. However, the minute indicates that Minister Benam Beltoungou closed the meeting with CSOs before these issues could be discussed.

The International Secretariat's assessment is that there have been breaches of the EITI protocol: Participation of civil society related to freedom of expression in the period since 2021, with credible concerns over self-censorship on issues directly related to the EITI process such as the large-scale gold mining license, environmental impacts of mining or the link between mining and conflict due to fears of reprisals from government and their military service providers. There is little evidence of civil society public expression related to the EITI process in the CAR. The civil society coalition's [website](#) for the EITI process has barely been populated, and remains but a replica of some of the information on the official CAR EITI [website](#). The MSG's 'Outcomes and impact' template does not document media interventions or coverage of CSOs engaged in the EITI process. In consultations, civil society MSG members stated that they were regularly invited to participate in radio broadcasts to share information about the EITI process, but that these engagements had not been documented. This lack of critical voices from civil society on important issues in the mining sector suggests self-censorship.

The Secretariat's findings align with the external expert's observations. His report highlighted and identified multiple issues, ranging from limited opportunities for critical CSO to speak out and to influence policy decisions, fake news, as well as restrictions on their freedom of expression through intimidation and arrests and even murder. The report noted that the silence and passiveness of the CSOs demonstrates a form of self-censorship, that was also reported by CSOs outside the EITI. The latter expressed their fear of retaliation when demanding greater transparency from the government and explained having received threats for research in the mining, timber and security sectors.

Operation

The CAR's 2016 Constitution (Article 12) guarantees freedom of to organise associations, groups, societies and political parties provided they are not contrary to public order, unity or cohesion, provisions that were maintained in the 2023 Constitution. Part of the legal framework

for civil society has been updated in the last 20 years, although the laws governing associations and cooperatives (Laws 61-233/1961 and 61-287/1961) were drafted at the country's independence. Law 02-004 of May 2002 governing non-governmental organisations (NGOs) was updated with Law [19-002](#) of January 2019 governing NGOs. The CAR operates a regime of declaration, not of authorisation, that allows NGOs to work directly with donors and host communities. Civil society stakeholders consulted did not highlight any challenges in establishing NGOs after an association was created, aside from some bureaucratic delays in processing paperwork. They confirmed that all CSOs substantially engaged in the EITI process were duly declared as NGOs and associations.

Several different government ministries hold jurisdiction over CSOs depending on their focus and areas of activities. The Ministry of Interior and Public Security (*Ministère de l'Intérieur Chargé de la Sécurité Publique* - MICSP) records declarations and catalogues national associations and movements. The Ministry of Economy, Planning and Cooperation (*Ministère de l'Economie, du Plan et de la Coopération* - MEPC) records declarations and catalogues organisations considered "national NGOs" as well as international NGOs operating in the CAR. The Ministry of Mines and Geology (MMG), the Ministry of Commerce and Industry (*Ministère du Commerce et de l'Industrie* - MCI) and the Ministry of Small and Medium Enterprises, Craftmanship and the Informal Sector (*Ministère des Petites et Moyennes Entreprises, de l'Artisanat et du Secteur Informel* - MPMEASI) are all required to also records declarations and catalogues cooperatives in the mining sector.

There do not appear to be any government constraints on CSOs' access to funding. There is some evidence of limited foreign funding for CSOs substantially engaged in the EITI process. However, stakeholder consultations indicated that civil society was facing significant resource constraints in fulfilling their role in the EITI process, given a lack of funding and technical expertise on extractive industry governance issues. They explained that the government had provided most of the funding for civil society's engagement in the EITI process since 2021, including in supporting the launch of a new civil society EITI website. Despite allegations of state surveillance of journalists in the international rankings of civic space, there is no evidence in documents or stakeholder consultations that CSOs engaged in the EITI process are concerned over the risk of state surveillance on their communications.

The CSOs substantially engaged in the EITI process appear to be able to hold meetings freely, although these appear to all have been centred on the capital Bangui since the lifting of the CAR's suspension in 2021. The MSG's 'Stakeholder engagement' template states categorically that there are no government constraints on the freedom of association of CSOs substantially engaged in the EITI process. An example to illustrate the lack of constraints highlighted in the MSG's template concerns the inclusion of civil society input in the 2021-2024 CAR EITI work plan. However, there appear to be practical barriers to civil society holding events and meetings outside of the capital Bangui. Many CSOs consulted highlighted logistical constraints due to the poor state of transport infrastructure in rural areas and incidents of insecurity in some parts of the country, particularly in the country's North and East. The [minute](#) of Minister of Mines and Geology Benam Beltoungou's meeting with CSOs in October 2023 describes the government's willingness to support CSOs in conducting EITI-related events outside of the capital Bangui, implying that there has been very limited outreach by Bangui-based CSOs able to engage in the EITI and mining region community organisations. Notably, however, there is evidence that armed

groups supporting the state security forces have obstructed civil society access to key mining sites such as Ndassima in recent years. The external expert confirmed this and noted in his report that while CSO representatives said they could go around Ndassima area to interview local inhabitants discreetly they noted that it would be too dangerous to make a proper investigation in the area. The Secretariat considers this as restriction on freedom of movement which constitutes breach of the Civil Society Protocol.

Association

The CAR's 2016 Constitution (Article 15) guarantees freedoms of assembly and of public demonstration, provisions that were maintained in the 2023 Constitution. In practice, international media has reported that demonstrations since 2013 often turned violent, either in terms of violence between different groups or against peacekeepers. BTI's 2020 [report](#) on the CAR highlights that this is partly due to the politicisation of civil society groups in the CAR, combined with de facto restrictions on freedoms of association and of assembly in areas outside the capital Bangui by either authorities or rebel groups. The US Department of State's 2022 Human Rights [report](#) describes how the government's security contractors forced NGO convoys away from mining sites they protected, while granting access to other zones that did not host mining licenses. Thus, it appears that there are state-linked constraints on NGOs operating in certain mining areas.

Of the 11 civil society representatives on the MSG, four civil society coalitions and unions help structure the constituency.

- The Publish What You Pay (PWYP - *Publiez Ce Que Vous Payez*) CAR coalition was established as a civil society coalition in the CAR in 2009, and launched its own [website](#) in 2023, even if it remains embryonic in content.
- The Sustainable Management of Natural and Environmental Resources coalition was established as an umbrella organisation in 2011 to participate in public decision-making in the forestry sector, which includes around 50 NGOs as members.
- The Inter NGO Council of CAR (*Conseil Inter ONG en Centrafrique* - [CIONGCA](#)), with over 50 members, focuses on broader civil society issues.
- The Union of Diamond and Gold Collectors (*Union des Collecteurs de Diamants et d'Or*)
- The Council of International NGOs (*Comité de Coordination des ONG Internationales*)
- The Centre of Women for Action and Development (*Centre des Femmes pour l'Action et le Développement*)
- The Network of Women Parliamentarians (*Réseau des Femmes Parlementaires*).
- Religious Confession Platform (*Plateforme Confession Religieuse*).

The other five civil society MSG members represent the Order of Lawyers, the Order of Accountants, and one representative each from a good governance NGO, and the independent press. In total, civil society MSG members considered that their broader constituency counted over 100 NGOs, which was the combined membership of the different coalitions engaged on the MSG. Several development partners however noted that most CSOs engaged in the EITI did not have particular expertise on the extractive industries, which reflected broader capacity constraints within civil society that was primarily focused on humanitarian service delivery rather

than development activities. This was also reflected in the lack of CAR-based CSOs involved in the Kimberley Process CSO coalition.

The MSG's 'Stakeholder engagement' template states categorically that there are no government constraints on the freedom of association of CSOs substantially engaged in the EITI process. The template explains that a meeting requested by civil society with the Minister of Water and Forestry has not yet taken place due to the Minister's availability constraints, but the MSG's template states that there are no government constraints on any of CSOs' activities related to the EITI. While there do not appear to be government constraints on civil society's freedom of association in the capital city Bangui, secondary sources and stakeholder consultations with development partners indicated challenges in travelling to and accessing mining rich regions particularly outside of the eight KP-compliant prefectures. These challenges appear linked both to the logistical challenges posed by the CAR's poor transport infrastructure as well as constraints from state and state-contracted paramilitary forces on civil society's ability to visit key mining sites, such as the Ndassima gold mine. Therefore, the International Secretariat's assessment is that there have been breaches to the EITI protocol: Participation of civil society related to freedom of association in the period under review. Freedom of association under the protocol requires that formal or informal communication channels between with the wider civil society constituency have not been restricted. Restrictions on access to mine sites suggest that there are limitations on civil society's ability to freely engage with CSOs in these areas where important mining issues should be discussed. The external expert observed that none of the CSOs interviewed who are not members of the EITI were aware of or have been invited to any EITI event, except for one CIONGA member. CSOs outside the EITI, according to the external expert's report, have never been invited for joint advocacy or to share their opinion, advice, or expertise on sensitive issues such as the revision of the mining code.

Engagement

Civil society members generally appear to be able to contribute to MSG discussions, although there appear to be weaknesses in the broader civil society constituency's technical and financial capacities to work on extractive industry governance issues. The MSG's 'Stakeholder engagement' template argues that civil society is fully, actively and effectively engaged in all aspects of the EITI process, citing the constituency's input to the development of the CAR EITI work plan as an example of its EITI engagement.

Civil society has held workshops on the EITI process in preparation of the MSG's application to the Board for adapted implementation, in June-July 2021. On 18 August 2021, civil society organised an extraordinary general assembly of around 50 NGOs supporting the EITI process and adopted a code of operation defining the constituency's code of conduct and mandate of MSG representatives. Civil society also included a joint statement in August 2021, calling for the government to continue EITI implementation, for the EITI Board to lift the CAR's suspension and to support the constituency in fundraising to support their relaunch of their EITI engagement in 2021. International CSOs who observed the process confirmed the inclusivity and efficiency of the collaboration with CSOs in agreeing their governance documents at the time. The CAR EITI [website](#) publishes minutes of all types of meetings, including minutes of three civil society meetings on national priorities for EITI implementation in July 2021, on the CAR EITI work plan in

August 2021 and on the civil society discussion of the recommendations of the 2020 EITI Report in April 2023. A cursory review of MSG meeting minutes appears to indicate that civil society MSG members are actively engaged in discussions and decision-making, for instance on the scope of the CAR's adapted implementation request in 2021. There is also evidence of public advocacy around the environmental and social impacts of mining operations in the CAR, such as Amnesty International's [2020 campaign](#) against four mining (inter-related) companies.³²

The MSG's 'Stakeholder engagement' template lists the number of civil society meetings held annually since 2021, which indicates a declining frequency of meetings. Indeed the number of meetings declined from 21 in 2021 to five in 2022, three in 2023 and two annual general meetings in 2024. Civil society's submission to the MSG's template highlights the Internet connectivity challenges in the CAR and explains that the constituency is convened to meetings by telephone. There is however little evidence of the Bangui-based CSOs engaged in the EITI process having been in regular contact with their constituent CSOs in other cities and mining areas since the initial efforts to seek the lifting of the CAR's suspension in 2021. The MSG's template explains that CSO MSG members have constituted a bureau to coordinate dissemination of information to CSOs not directly represented on the MSG, although the frequency of such contacts is not clear from published CAR EITI or civil society documents. The [minute](#) of Minister of Mines and Geology Benam Beltoungou's meeting with CSOs in October 2023 documents the civil society constituency's finalisation of an agreement with the government to finance civil society activities, particularly at the local level, implying that such outreach and dissemination had not taken place to date by civil society. Some CSOs consulted confirmed that there had been little EITI outreach and dissemination by the MSG to date, but they argued that CSOs engaged in the EITI were regularly invited to participate in radio broadcasts to share information about the EITI process, even if these engagements had not been documented. They noted however that civil society faced significant resource constraints to undertake outreach and dissemination outside of the capital city Bangui. These findings align with the observations of the external expert that attendance in numerous EITI meetings demonstrates that the CSO constituency can actively attend and participate in the conception and implementation of the EITI process.

Access to public decision-making

There is some evidence that civil society can use the EITI process within the confines set by the state. For instance, civil society was able to use the EITI process to provide input to the long-planned reforms to the 2009 Mining Code, within a process initiated by government. These examples are highlighted in the MSG's 'Stakeholder engagement' template as evidence of civil society's ability to influence public decision-making on extractive industry governance through the EITI process.

Civil society also appears to be able to use the EITI process to secure access to senior government officials. For instance on 6 October 2023, the civil society constituency was invited to meet Minister of Mines and Geology Rufin Benam Beltoungou to discuss the status of follow-up on recommendations in the 2020 EITI Report, in the context of the finalisation of the 2021 EITI Report (the minute is published on the CAR EITI [website](#)). During the meeting, Minister

³² Tian Xiang, Tian Run, Meng, and SMC Mao.

Benam Beltoungou highlighted the importance of regular meetings with CSOs in the context of the EITI process. Yet the meeting closed before discussing five issues of importance for civil society, namely the identity of the Ndassima gold mine operator, companies affiliated to the government's security contractors³³, the Bakouma uranium investment agreement signed with Turkish company Koza Gold Corp., the Nzila cement plant, and the planned new Mining Code.

As a result of its engagement in the EITI process, civil society has also been invited to more formal interactions with parliament on proposed legal reforms related to the extractive industries. Thus, the President of the PWYP CAR coalition was [invited](#) in April 2023 to address the Parliament's Production, Natural Resources and Environment Commission in the context of the parliamentary review of proposed reforms to the Mining Code. The minutes of the meeting do not appear publicly accessible however. The external expert noted the same examples in evaluating freedom of engagement although noted that other CSOs outside of the EITI seem to have not been included in decision-making processes.

Assessment

The Secretariat's assessment is that Requirement 1.3 is partly met. The MSG's 'Stakeholder engagement' template considers that the objective of full, active and effective civil society engagement in all aspects of the EITI, and that there is an enabling environment for this, is fully met. Stakeholders consulted considered that the objective was fulfilled. The International Secretariat's view disagrees with national stakeholders in considering the objective as still far from being fulfilled, given the pattern of government constraints on civil society's freedoms of expression, operation and of association, the constituency's technical and financial capacity constraints, and weak links between Bangui-based CSOs and their constituents, particularly in mining areas.

³³ Lobaye Invest, Wood International Group and Bois Rouge.

Annexe D: External expert report on civil society engagement (Requirement 1.3)

In line with the procedure of engaging external experts, the Validation Committee commissioned a report on the engagement of civil society in the EITI process to inform the International Secretariat's assessment of Requirement 1.3. The report is available under the section 'supporting documentation' [here](#).