



**DET KONGELIGE
OLJE- OG ENERGIDEPARTEMENT**

EITI International Secretariat
Ruseløkkveien 26
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Deres ref

Vår ref
16/299

Dato
26. april 2017

Mainstreaming EITI in Norway and request for adapted implementation

Norway became an EITI Candidate in 2009 and was designated compliant under the EITI Rules in 2011. The first EITI Report covered fiscal year 2008 and was published in 2009. The seven Reports published thereafter have not found any unresolved discrepancies. Thus government-reported revenue data from the oil and gas sector is confirmed reliable also through the EITI-implementation.

The overall objective of Norway's petroleum policy has always been to provide a framework for the profitable production of oil and gas in the long term. It has also been considered important to ensure that as large as possible share of the value creation accrues to the state, so that it can benefit society as a whole. Oil and gas activities must take place within the framework of a sound health, safety and working environment, and environmental concerns are to be taken into account throughout the industry. Petroleum activities must also take place in coexistence with other industries.

In Norway, the public have for many years had availability to all relevant information about the oil and gas activities. There is, and has for decades been, an open and long-lasting public debate on the Norwegian oil and gas policies. This debate goes both in the Parliament and at other political levels, and with participation from different political parties and organisations, industry, unions and different NGOs. Every day the media cover aspects of the Norwegian oil and gas industry. This context is crucial to understand the role of EITI in Norway.

Having consulted with stakeholders, I am writing to inform you of the Government of Norway's commitment to mainstream implementation of the EITI Standard. To this effect, Norway seeks approval from the EITI to *mainstream implementation* in accordance with

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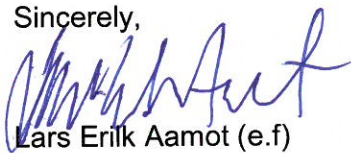
Requirements 1.1, 1.2, 1.3, 1.4, 1.5, 7.1, 7.2, 7.3 and 7.4 in the EITI Standard, and Phase 6 in the Agreed upon procedure for mainstreamed disclosure (Requirement 4.9 (c)).

Stakeholder's support of mainstreaming EITI in Norway and the request for adapted implementation is based on a country specific evaluation, including the overall circumstances in Norway and eight years of experience as an implementing country of EITI. Therefore, in other countries, with different national circumstances and EITI implementation history, any future proposal on mainstreaming and adapted implementation must be evaluated based on national context and cannot just copy the Norwegian proposal

This application is based on existing EITI-standards that do not require a specific audit of company tax payments to governments for EITI purposes. Companies reporting to Norway EITI have audited accounts where corporate tax on accruals basis are reported. In addition, companies operating in Norway are by law obliged to publish their tax payments and other payments to governments in Norway and other countries (country-by-country reporting). Stakeholders from civil society have expressed a view that companies should be obliged to publish their payments to the government in disclosure to their financial statement.

Norway is satisfied that implementation of the EITI in Norway has contributed to make the EITI a truly global standard for the good governance of the extractive industries. It is important for Norwegian stakeholders that Norway can continue to implement the EITI in a way that is meaningful and relevant for our national context. An implementation that is efficient and not unnecessary bureaucratic. Norway will continue its effort to increase transparency and fight corruption. We look forward to a positive response.

Sincerely,



Lars Erik Aamot (e.f)
Director General

Attachments:

Annex A: Feasibility study for mainstreamed EITI implementation

Annex B: Schedule for mainstreamed disclosures

Annex C: Adapted implementation request

Dokumentet er elektronisk signert og har derfor ikke håndskrevne signaturer