

Mauritania Second Validation

For decision

For discussion

For information

Summary

The International Secretariat recommends that the Validation Committee recommends to the EITI Board that Mauritania has partly addressed the corrective actions from the first Validation. Consequently, it is recommended that Mauritania be found to have achieved “meaningful progress” overall in implementing the 2016 EITI Standard, with considerable improvements across several individual requirements. In accordance with Requirement 8.3.c.iv.2, Mauritania will be requested to undertake corrective actions before the third Validation on <date of Board decision + 12 months>.

Supporting documentation[Board decision on the 2016 Validation](#)[Draft assessment by the International Secretariat](#)[Comments from the Multi-Stakeholder Group \(MSG\)](#)[Final assessment by the International Secretariat](#)**Has the EITI competence for any proposed actions been considered?**

The Articles of Association mandate the Board to classify implementing countries as candidate countries or compliant countries (Article 5(2)(i)(a)). The EITI Standard ([Requirement 8.3](#)) addresses [EITI Validation deadlines and the consequences](#) following Validation.

Financial implications of any actions

There are no financial implications arising from the recommendation.

Document history

Validation Committee review of Draft assessment	24 January 2019
Validation Committee approval of Board Paper	TBC

SECOND VALIDATION OF MAURITANIA

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1. Recommendation

The International Secretariat recommends that the Validation Committee recommends that the EITI Board agrees the following:

The EITI Board agrees that Mauritania has partly addressed the corrective actions from the country's first Validation. Consequently, Mauritania has made meaningful progress overall in implementing the EITI Standard, with considerable improvements across individual requirements.

The Board recognises Mauritania's efforts to use EITI reporting as a diagnostic to drive reforms in the management of extractives licenses and state participation in the mining sector. Validation has found that gradual improvements in the Multi-Stakeholder Group's cohesion and oversight have ensured more effective oversight of EITI implementation by all three constituencies. The Board encourages stakeholders to continue enhancing the dynamism of its dissemination, outreach and assessment of impact.








The Board welcomes ongoing efforts to ensure systematic disclosure of EITI data. The Board takes note of these developments and looks forward to working together with Mauritanian stakeholders on these issues.

*The Board has determined that Mauritania will have 12 months, i.e. until **<date of Board decision + 12 months>** before a third Validation to carry out corrective actions regarding license allocations (2.2), license register(s) (2.3) and review of outcomes and impact of implementation (7.4). Failure to achieve meaningful progress with considerable improvements across these individual requirements in the third Validation will result in suspension in accordance with the EITI Standard. In accordance with the EITI Standard, the MSG may request an extension of this timeframe, or request that Validation commences earlier than scheduled.*

2. Assessment card

EITI Requirements		Level of progress					Direction of Progress
Categories	Requirements	No progress	Inadequate	Meaningful	Satisfactory	Beyond	
Mauritania Second Validation scorecard							
MSG oversight	Government engagement (#1.1)				█		
	Industry engagement (#1.2)				█		
	Civil society engagement (#1.3)				█		
	MSG governance (#1.4)				█		--->
	Work plan (#1.5)				█		--->
Licenses and contracts	Legal framework (#2.1)				█		
	License allocations (#2.2)			█			--->
	License register (#2.3)			█			--->
	Policy on contract disclosure (#2.4)				█		--->
	Beneficial ownership (#2.5)						
	State participation (#2.6)			█			--->
Monitoring production	Exploration data (#3.1)				█		
	Production data (#3.2)				█		
	Export data (#3.3)				█		
Revenue collection	Comprehensiveness (#4.1)				█		--->
	In-kind revenues (#4.2)				█		
	Barter agreements (#4.3)						
	Transportation revenues (#4.4)						
	SOE transactions (#4.5)				█		
	Direct subnational payments (#4.6)						
	Disaggregation (#4.7)				█		
	Data timeliness (#4.8)				█		
	Data quality (#4.9)				█		--->
Revenue allocation	Distribution of revenues (#5.1)				█		--->
	Subnational transfers (#5.2)						
	Revenue management & expenditures (#5.3)						
Socio-economic contribution	Mandatory social expenditures (#6.1)						
	SOE quasi-fiscal expenditures (#6.2)						
	Economic contribution (#6.3)				█		
Outcomes and impact	Public debate (#7.1)				█		
	Data accessibility (#7.2)						
	Follow up on recommendations (#7.3)				█		
	Outcomes & impact of implementation (#7.4)			█			---
Overall assessment	Meaningful progress			█			--->

Legend to the assessment card

	No progress. All or nearly all aspects of the requirement remain outstanding and the broader objective of the requirement is not fulfilled.
	Inadequate progress. Significant aspects of the requirement have not been implemented and the broader objective of the requirement is far from fulfilled.
	Meaningful progress. Significant aspects of the requirement have been implemented and the broader objective of the requirement is being fulfilled.
	Satisfactory progress. All aspects of the requirement have been implemented and the broader objective of the requirement has been fulfilled.
	Beyond. The country has gone beyond the requirement.
	This requirement is only encouraged or recommended and should not be taken into account in assessing compliance.
	The MSG has demonstrated that this requirement is not applicable in the country.

3. Corrective measures

The EITI Board agreed the following corrective actions. Progress in addressing these corrective actions will be assessed in a third Validation commencing on **<date of Board decision + 12 months>**:

1. In accordance with requirement 2.2.a, the government should ensure annual disclosure of which mining, oil, and gas licenses were awarded and transferred during the year, highlighting the technical and financial requirements and any non-trivial deviations from the applicable legal and regulatory framework governing license awards and transfers. In accordance with requirement 2.3, the government should also ensure that the dates of application, commodities covered and coordinates for all oil, gas and mining licenses held by material companies are publicly available.
2. In accordance with Requirement 2.6, Mauritania should ensure that a comprehensive list of state participation in the extractive industries, including terms associated with state equity and any changes in the year under review, be publicly accessible. Mauritania should also clarify the rules and practices governing financial relations between all SOEs, and their subsidiaries, and the state, including the existence of any loans or guarantees extended by the state, or SOEs, to extractives companies or projects.
3. In accordance with requirement 7.4, the MSG should undertake and document its efforts strengthen impacts of EITI implementation on extractive sector governance, specifically on increasing engagement with stakeholders at the local level and extending the detail and scope of EITI reporting. The MSG should develop specific approaches to engage stakeholders outside of the MSG in soliciting their views, developing APRs, and reviewing the impact of EITI implementation. The MSG may wish to consider developing more formalised consultation mechanisms with mine-affected communities through established regional focal points.

4. Background

Mauritania was accepted as an EITI Candidate in September 2007 and was designated as compliant with the EITI Rules in October 2010. Mauritania was declared compliant to the 2011 EITI Rules on 15 February 2015. The first Validation of Mauritania against the EITI Standard commenced on 1 July 2016. On 11 January 2017, the EITI Board found that Mauritania had made meaningful progress in implementing the 2016 EITI Standard. Ten corrective actions were identified by the Board, as listed above. The Board encouraged Mauritania to address these corrective actions to be assessed in a second Validation commencing on 8 September 2018.

Mauritania's second Validation commenced on 8 September 2018. The EITI International Secretariat assessed the progress made in addressing the ten corrective actions established by the EITI Board. The Secretariat's assessment is that Mauritania has addressed 6 of the 10 corrective actions and made "satisfactory progress" on the corresponding requirements. In addition, it has been established that one requirement was not applicable. Of the three remaining corrective actions, three are assessed as "meaningful progress with considerable improvements", and one as "meaningful progress with no improvements". The draft assessment was sent to the Mauritania EITI MSG on 5 December 2018. MSG comments on the assessment, which broadly agreed with the assessment, were received on 27 December 2018. Having considered these comments, the assessment has been finalised for consideration by the EITI Board.