

# OVERVIEW OF EITI REPORTS

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## Introduction

Since 2003 a total of 25 EITI Reports have been produced by countries implementing the EITI. Based on EITI's rules, the scope and structure of EITI Reports are determined by the national EITI Multi-Stakeholder Group (MSG) to ensure local ownership of the EITI process. As a result, EITI Reports between countries can vary in terms of the sectors covered, aggregated or disaggregated data, regularity of the reporting cycle and the reporting currencies. Timely reporting is also varied due to a lack of EITI guidance.

This paper provides a country by country summary in US dollars of the total revenues reported by companies and governments in the most recently published EITI Reports. Key facts regarding each country's EITI Report such as the largest categories of revenue payments, sectors covered and year of reporting have also been highlighted. The primary aim of this report is to illustrate the total revenue flows being covered by the EITI process. It does not seek to study reported discrepancies or investigate the validity of underlying data series in EITI Reports.

## Notes/Caveats

Given that the discrepancies are netted and there are substantial differences in detailed reporting, this paper should be used for illustrative purposes only. Readers should note the following.

- Only financial figures are given. Payments are also sometimes made in physical form, e.g. barrels of oil.
- Where local currency is used, we have converted this to US\$ using average exchange rates from IMF's, International Financial Statistics, for the year of reporting<sup>i</sup>.
- The differences in time periods. Most countries have yearly reports. Some countries, like Nigeria and Cameroon, have longer time periods. Azerbaijan, on the other hand, has produced 10 half-yearly reports, and has published annual figures too. In all instances, we have estimated per annum receipts.
- The differences in detailed reporting. Some countries have reported sums in US\$ millions, while others have given figures in local currency terms.
- The reports cover different time periods. Azerbaijan has reported for the financial year of 2008, while Cameroon has reported for the financial year of 2004.
- The reports are not the product of the EITI International Secretariat, and are under the jurisdiction of the national EITI Secretariats. The Secretariat does not in any way vouch for the quality of the reports or the figures that are contained within them.

## 1 Total figures received by governments and companies

Reported in US\$ m

	Government	Companies	Discrepancies	Year
Azerbaijan	3,823.56	3,810.91	12.80	2008
CAR	10.97	10.09	0.89	2006
Cameroon*	203.48	204.85	1.37	2005
Gabon	1,944.19	2,007.59	63.40	2006
Ghana	44.65	44.14	0.52	2005
Guinea	138.14	139.43	1.30	2005
Kazakhstan	9,942.83	9,924.34	18.49	2006
Liberia	29.45	29.45	0.01	2008
Mauritania	280.17	273.41	6.75	2006
Mongolia	347.75	430.83	83.08	2006
Nigeria	26,596.00	26,597.00	1.00	2004

\* Government minus company figures

### 1.1 Sectors covered by the reports

	Oil/ Gas	Mining	Other
Azerbaijan	x		
CAR		x	
Cameroon	x		
Gabon	x	x	
Ghana		x	
Guinea		x	
Kazakhstan	x	x	
Liberia	x	x	x *
Mauritania	x	x	
Mongolia	x	x	
Nigeria	x		

\* Liberia has covered the timber- industry.

### 1.2 Aggregated vs. disaggregated reports

	Aggregated	Disaggregated
Azerbaijan	x	
CAR	x	
Cameroon	x	
Gabon	x	
Ghana		x
Guinea	x	
Kazakhstan	x	
Liberia		x
Mauritania	x	
Mongolia		x
Nigeria		x

## 2 Summary of Country Reports

### 2.1 Azerbaijan (10<sup>th</sup> EITI Report, 2008)

Azerbaijan produces aggregated reports covering oil revenues. The latest report was produced in 2009 covering revenues generated in the year ended 2008. Azerbaijan has also produced yearly reports, since the financial year of 2003. Total payments have been estimated in US\$ by the EITI below.

Total payments reported (US\$ m)	
Governments	3,823.6
Companies	3,810.9
Difference	12.8

The largest single items reported by foreign companies were "Profit tax", "Monetary inflow for gas production" and "Monetary inflow for oil production". Also reported by foreign companies are "Crude oil", "Gas", "Bonuses", "Transportation tariff" and "Acreage fees".

The largest single item reported by local companies was "Profit tax". Local companies also reported " Gas", "Royalty", "Profit tax" and "Other taxes".

Largest single items reported by international companies(US\$ m)	Government	Companies	Discrepancy
Profit tax	2,605.9	2,605.8	0.1
Monetary inflow for gas production	131.2	131.2	0
Monetary inflow for oil production	47.4	35.3	12.1
Largest single items reported by local companies (US\$ m)			
Profit tax	319.0	319.0	0

### 2.2 Central African Republic (1<sup>st</sup> EITI Report, 2006)

CAR published an aggregated report covering the mining industry for revenues generated in 2006 (the report was published in 2009). Total payments have been estimated in US\$ by the EITI below.

Total payments reported US\$m

Government	10.97
Companies	10.09
Discrepancy	0.89

The mayor payments were "Bonus" and "Droits (Taxes 4 %) de sorties a l'exportation". Also reported were " ACFPE", "Amendes fiscales", "Amendes penales", "Amendes transactionelles", "Autres impots et taxes », « Caution d'ouverture de bureau », « contributions foncieres », « Contributions au developpement social », « divers », «droits de douane et transit », « droits d'enregistrement », « impots et taxes indirects », « RCM/IMF/IS/MF/IR », « Patente et licence », « PDSM (cas d'or 1,0%) », « PE/PGR/PRM /PSE/PRE/Taxes superficiaires », « REIF », « SPPK (0,50%) », « Taxes de circulation en zone miniere », « Taxes communales », « Taxes sur les vehicules », « Taxes sur les loyers professionnels », « TSD ».

Largest single items reported	Government	Companies	Discrepancy	* US\$m
Bonus	2.64	2.64	0	
Droits de sorties a l'exportation	2.14	2.25	-0.10	

Observers question the reports quality. Work on a second report started in July.

### 2.3 Cameroon (2<sup>nd</sup> EITI Report, 2001-2004)

Cameroon produced an aggregated report covering the oil industry for revenues generated in the 2001-2004 period (the report was published in 2006). Total payments have been estimated in US\$ by the EITI below.

Total payments reported (US\$ m)	2002	2003	2004	2005
Government	47.39	126.21	164.62	203.48
Companies	49.06	120.98	172.49	204.85
Discrepancy	1.66	5.23	7.87	1.37

The largest single items reported in 2004 were "Company Tax" and "Dividends paid to NHC". Also reported were "Flat fees", "Proportional Mining Royalty", "Royalty proportionate to the production", "Land Royalty", "Signature Bonuses" and "Production Bonuses".

Largest single items reported 2005 (US\$m)	Government	Companies	Discrepancy
Company Tax	143.92	145.31	1.39
Dividends paid to NHC	40.39	40.39	0

### 2.4 Gabon (2<sup>nd</sup> EITI Report, 2006)

Gabon produces aggregated reports covering both the oil and mining industries. Its latest report was produced in 2008 covering revenues generated in 2006. Total payments have been estimated in US\$ by the EITI below.

Total payments reported(US\$ m)	
Government	1,944.19
Companies	2,007.59
Discrepancy	63.40

The largest single items reported are from the petrol sector, and include "Profit oil Etat Puissance publique/ Etat associé", "Redevance minière proportionnelle" and "Impôt sur les sociétés". Also reported are "Dividendes issus des participations", « Bonus de signature et de production », « Redevance superficière », « Droits fixes miniers » and « Provision pour investissements diversifiés »

The largest single item reported from the mining sector is "Redevance minière proportionnelle". Also reported are « Dividendes », "Impôts sur les sociétés », « Redevance superficière », « Droits fixes miniers », and « Redevance d'extraction ».

Largest single items reported (US\$ m)	Companies	Government	Discrepancy
Secteur pétrolier			
Redevance minière proportionnelle	549.0	527.0	22.0
Impôt sur les sociétés	547.0	532.0	15.0
Profit oil Etat Puissance publique/Etat associé	764.0	742.0	22.0
Secteur minier			
Redevance minière proportionnelle	5.93	5.93	0

Reconciliation reports from 2007 and 2008 are under preparation.

## 2.5 Ghana (3<sup>rd</sup> EITI Report, 2005)

Ghana produces disaggregated reports covering the mining industry. Its latest report was published in 2008, covering revenues generated in 2006. Total payments have been estimated in US\$ by the EITI below

Total payments reported (US\$ m)	
Government	44.65
Companies	44.14
Discrepancy	0.52

The largest single items reported are "Mineral Royalty" and "Corporate Tax". Also reported are "Property rate", "Ground Rent" and "Dividend".

Largest single items reported (US\$ m)	Government	Companies	Discrepancy
Corporate Tax	11.23	10.73	0.51
Mineral Royalty	25.60	25.60	0

## 2.6 Guinea (1<sup>st</sup> EITI Report, 2005)

Guinea published a disaggregated report covering the mining industry in (waiting for date) covering revenues generated in 2005. Reconciliation covered both payments in US\$ and Guinean Francs, but currencies were not added together. Total payments have been estimated in US\$ by the EITI below.

Total payments reported (US\$ m)	
Government	138.14
Companies	139.43
Discrepancy	1.29

The largest single items reported were "Mining revenues" and "Estate/ Asset revenues". Also reported were "Asset transfers", "Import taxes", "Local payments" and "Other input taxes".

Largest single items reported (US\$ m)	State	Companies	Discrepancy
Mining revenues	101.33	101.32	0.01
Estate/ Asset revenues	14.12	14.05	0.07

## 2.7 Kazakhstan (2<sup>nd</sup> EITI Report, 2006)

Kazakhstan published its latest aggregated report covering the Oil/Gas and mining sectors for revenues generated in 2006 (the report was published in 2008). Sums were reported in both Tenge and US\$. Total payments have been estimated in US\$ by the EITI below.

Total payments reported (US\$ m)	
Government	9,942.83
Companies	9,924.34
Discrepancy	18.49

The largest items reported were "Taxes" and "Special payments of subsurface users". "Fees" and "Customs payments" are also reported.

Largest single items reported (US\$ m)	Government	Companies	Discrepancy
Taxes	7,112.60	4,675.16	-2,437.44
Special payments of subsurface users	2,585.00	1,478.25	-1,106.75

## 2.8 Liberia (1<sup>st</sup> EITI Report, 2008)

Liberia published a disaggregated report in 2009 covering revenues generated by the oil, mineral and timber industry in 2008.

Total payments reported (US\$ m)	
Government	29.5
Companies	29.4
Discrepancy	0

The mining sector dominates in Liberia. Arcelor Mittal paid the largest amount of all companies (Signing Fees/Signing Bonus, 15 000 000 USD).

The largest single items reported from the Petroleum sector were "Hydrocarbon Development Fund" and "Social Welfare Contribution". Also reported were "Surface Rental", "Annual training", "Contribution UL Department", "Corporate Profits tax", "ECOWAS Trade Levy", "Customs", "Dividends to GOL", "Administration Fees", "Vehicle License Fees" and "Personal Income".

The largest single items reported from the Forestry Sector were "Stumpage Fee". Also reported were "Log Export Fees", "ID Card Fees", "Administration Fees", "Business registration", "Rental Income", "Personal Income" and "Withholdings on rent and lease".

Largest single items reported (US\$)	Government	Companies	Discrepancy
Hydrocarbon Development Fund (oil)	750,000.0	750,000.0	0
Social Welfare Contribution (oil)	300,000.0	300,000.0	0
Stumpage Fee (forestry)	202,678.0	265,368.0	62,690.0

## 2.9 Mauritania (2<sup>nd</sup> EITI Report, 2006)

Mauritania has published two aggregated reports covering both the oil and mining sector. Its latest report was published in 2007 for revenues generated in 2006. Total payments have been estimated in US\$ by the EITI below.

Total payments reported (US\$ m)	
Government	280.17
Companies	273.41
Discrepancy	6.75

The biggest sums received from the petroleum sector are "Bonus" and "Profit- oil". "Redevances superficielles annuelles", "Impôt direct sur les benefices" and "Contribution à la formation des agents de l'Administration" are also reported.

The biggest sums received from the mining sector are "Redevance annuelle unique". "Taxes rémunératoires", "Redevance superficielle annuelle" and "Dividendes versés à l'Etat (SNIM)" are also covered.



Largest single items reported (US\$ m)	Government	Companies	Discrepancy
Bonus (petroleum)	107.86	108.00	0.14
Profit-oil (petroleum)	88.93	88.93	0.00
Redevance annuelle unique (mining)	40.48	39.30	1.18

A new report will cover the periods 2007 and 2008.

## 2.10 Mongolia (1<sup>st</sup> EITI Report, 2006)

Mongolia published a disaggregated report in 2007, covering the oil and mining industries for revenues generated in 2006. Total payments have been estimated in US\$ by the EITI below.

Total payments reported (US\$ m)	
Government	347.75
Companies	430.83
Discrepancy	-83.08

The biggest sums reported are "taxes" and "dividends". Also reported are "fees", "charges", "payments" and "donations".

Largest single items reported (US\$ m)	Government	Companies	Discrepancy
Taxes	278.30	286.24	-7.94
Dividends	32.90	84.47	-51.57

As company payments greatly exceed government receipts, the reconciler states that the information provided on government receipts was incomplete and inaccurate, and expressed concern for future reconciliations. Mongolia will publish a second EITI Report in 2009, covering 2007 revenues.

## 2.11 Nigeria (1<sup>st</sup> EITI Report, 1999-2004)

Nigeria published an aggregated report covering the oil industry in 2006 for revenues generated in the financial years 1999-2004. Nigeria is the only country to publish separate financial and physical reports.

Total payments reported 2004 (US\$ m)	2004
Government	26,596.00
Companies	26,597.00
Discrepancy	1.00

The largest single items covered were "Sale of crude oil", "Petroleum Profits Tax", "Domestic crude" and "Royalty". Also reported were "Gas flaring penalty", "Reserves Additional Bonus repayments", Signature Bonuses on licence award", "Aggregated non oil related flows from the sector" and "Sale of gas".

Largest single items reported 2004 (US\$ m)	Government	Companies	Discrepancy
Sale of crude oil	11,402.00	11,402.00	0
Petroleum Profits Tax	6,230.00	6,229.00	1
Domestic crude	4,999	4,999	0
Royalty	2,826	2,828	-2

The 2005 audit is to be published very shortly.

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<sup>i</sup> Exchange rates used, IMF International Financial Statistics.

Azerbaijan 2008--M0.82:US\$1

Central African Republic 2006--CFAfr522.9:US\$1

Gabon 2006--same as CAR

Ghana 2005--cedi0.91:US\$1

Guinea 2005--Gfr3,644.3:US\$1

Kazakhstan 2006--Tenge125.1:US\$1

Mauritania 2006--Ouguiya268.6:US\$1

Mongolia 2006--Togrog1,165.4:US\$1