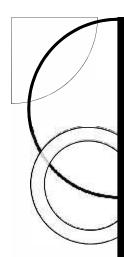


Session #21: Extractive Industries Transparency Initiative

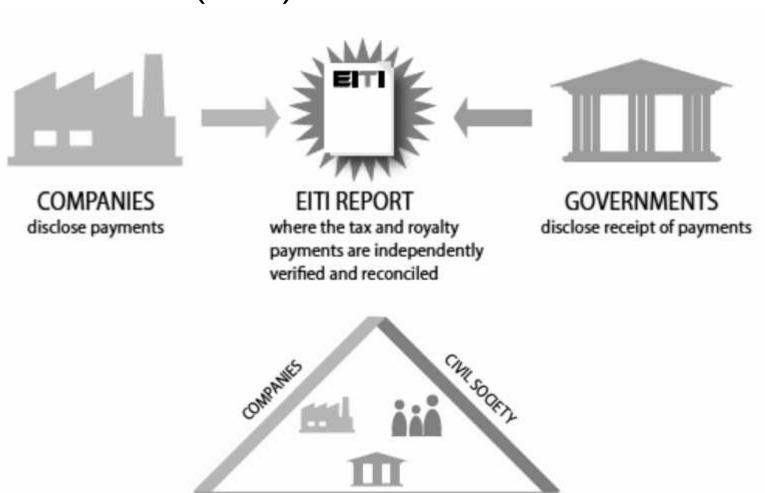
Vidar Ovesen
IMF Consultant

SPC (SOPAC Division) Pacific ACP States 5th Regional Training Workshop on "Deep Sea Minerals: Financial Aspects"

13th-16th May The Rarotongan Hotel Rarotonga, The Cook Islands



Extractive Industries Transparency Initiative (EITI)



GOVERNMENTS

MULTI-STAKEHOLDER GROUP

The EITI Standard



Licenses & contracts

Monitoring production

Tax collection

Revenue distribution Expenditure management



Licensing information

State ownership

> Contract transparency (encouraged)

> > Beneficial ownership (encouraged)

Production

data



Companies disclose payments

Transit payments (encouraged)



Government discloses receipts

State-owned enterprises



Social and infrastructure investments



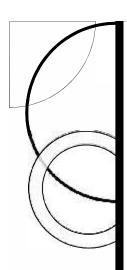
A national multi-stakeholder group (government, industry & civil society) decides how their EITI process should work.



Government revenues and company payments are disclosed and independently assessed in an **EITI Report.**

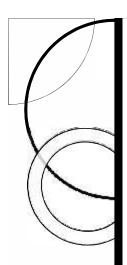


The findings are communicated to create **public awareness and debate** about how the country should manage its resources better.



EITI Requirements

- Effective oversight by the multi-stakeholder group.
- Timely publication of EITI Reports.
- EITI Reports that include contextual information about the extractive industries.
- The production of comprehensive EITI Reports that include full government disclosure of extractive industry revenues, and disclosure of all material payments to government by oil, gas and mining companies.
- A credible assurance process applying international standards.
- EITI Reports that are comprehensible, actively promoted, publicly accessible, and contribute to public debate.
- The multi-stakeholder group to take steps to act on lessons learned and review the outcomes and impact of EITI implementation.



What is the Importance of the EITI?

- Promotes dialoguenn between the various stakeholders.
- Contributes to capacity building and knowledge sharing.
- Makes information publicly available.
- To obtain EITI compliance status, the process is timeand resource demanding. Draws limited resources away from other key tasks.
- Does an EITI compliant country get a too good reputation?

