

SPC (SPAC Division) Pacific ACP States 5<sup>th</sup>  
Regional Training Workshop.

**EITI Candidate Country  
Experience-Solomon Islands**

# EITI is a global standard for managing revenues from natural resources also promoting transparency in the Extractive industries

requires;

- Governments
  - Reports on payments received from Mining companies on
    - taxes,
    - fees,
    - licenses, etc.

# Cont.

- Mining Companies
  - Report on the payments made to
    - governments
      - Provincial governments
      - Landowners
        - Royalties
        - Taxes
        - Developments – schools, roads clinics
        - Production volume/value
- Civil societies/citizens
  - Knows where the money received was paid to and where it was spend through the government process.

# EITI in 2014

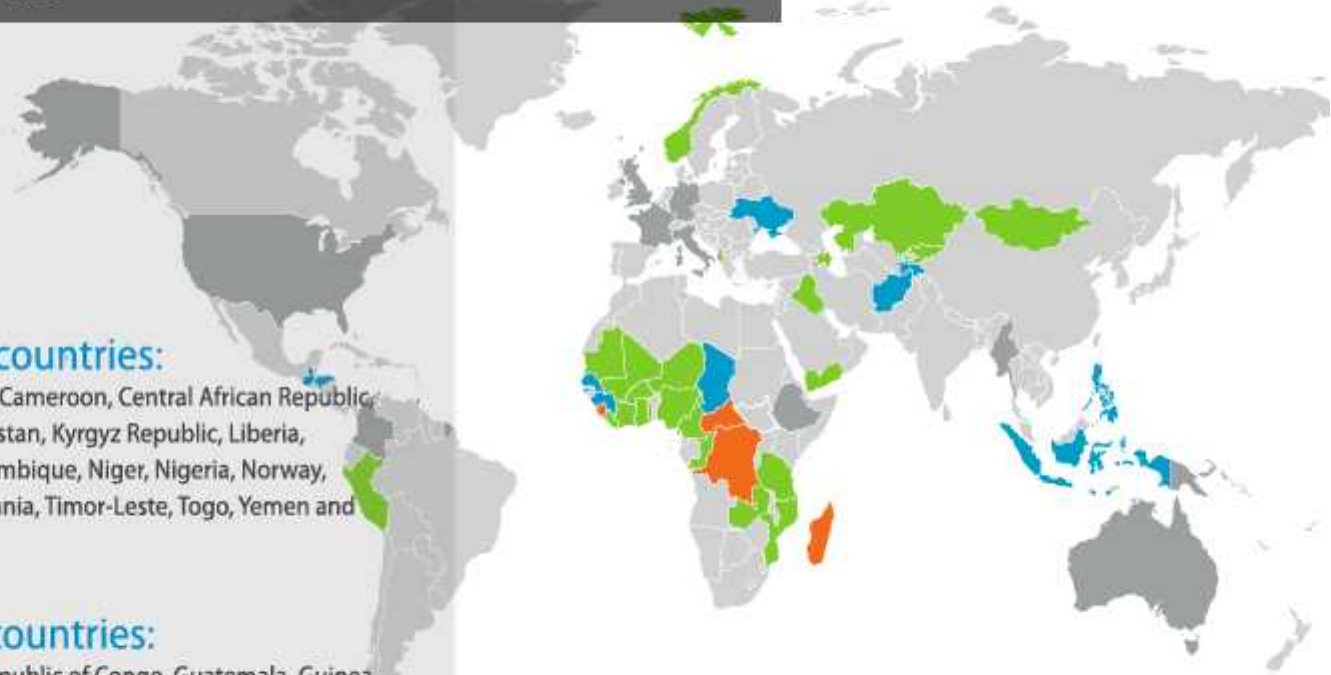
41 countries now implement the EITI Standard around the world.

## 25 EITI Compliant countries:

Albania, Azerbaijan, Burkina Faso, Cameroon, Central African Republic, Côte d'Ivoire, Ghana, Iraq, Kazakhstan, Kyrgyz Republic, Liberia, Mali, Mauritania, Mongolia, Mozambique, Niger, Nigeria, Norway, Peru, Republic of the Congo, Tanzania, Timor-Leste, Togo, Yemen and Zambia.

## 16 EITI Candidate countries:

Afghanistan, Chad, Democratic Republic of Congo, Guatemala, Guinea, Honduras, Indonesia, Madagascar, the Philippines, Sierra Leone, São Tomé and Príncipe, Senegal, Solomon Islands, Tajikistan, Trinidad and Tobago and Ukraine. **Several other countries have signalled their intention to implement the EITI** and are working toward completing the sign-up steps, including: Colombia, Ethiopia, France, Germany, Italy, Papua New Guinea, the UK and the US.



# The new EITI Standard

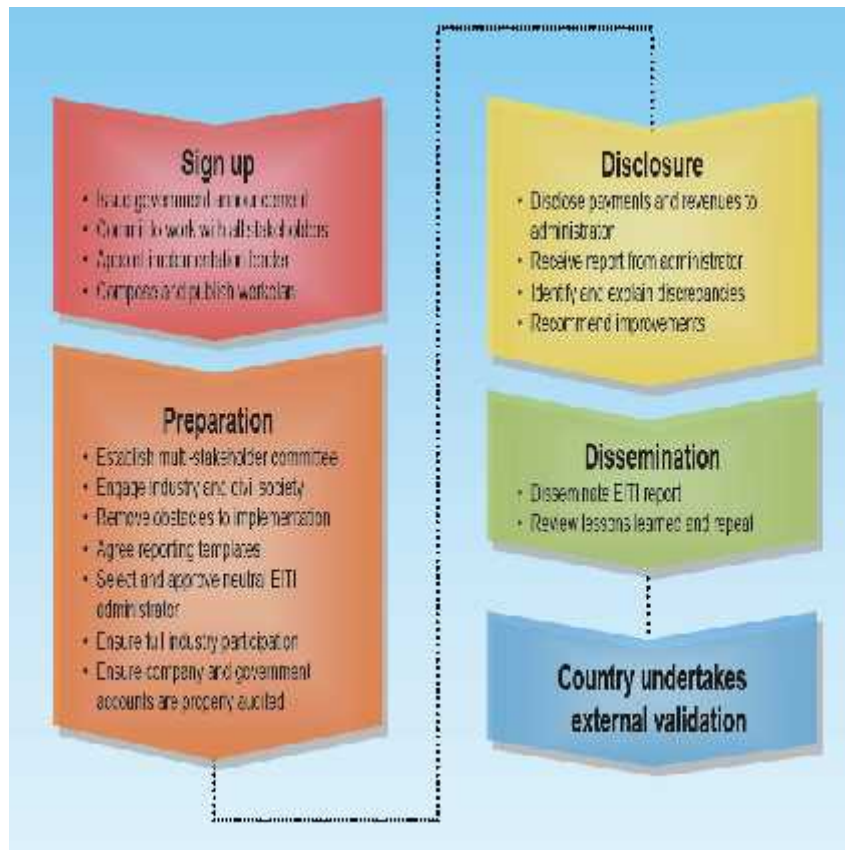


# EITI Solomon Islands

## 1. Why EITI and the Mining Industry.

- The Solomon Islands is deeply reliant on income from primary resource exports, which have been essential to the country's development objectives.
- Mining industry is a sector that can contribute to our economic growth in the next decade but needs to be managed sustainably.
- EITI is seen as a platform through which the country can receive fair share of these resources.
- EITI also enhances confidence by foreign investors to invest in SI

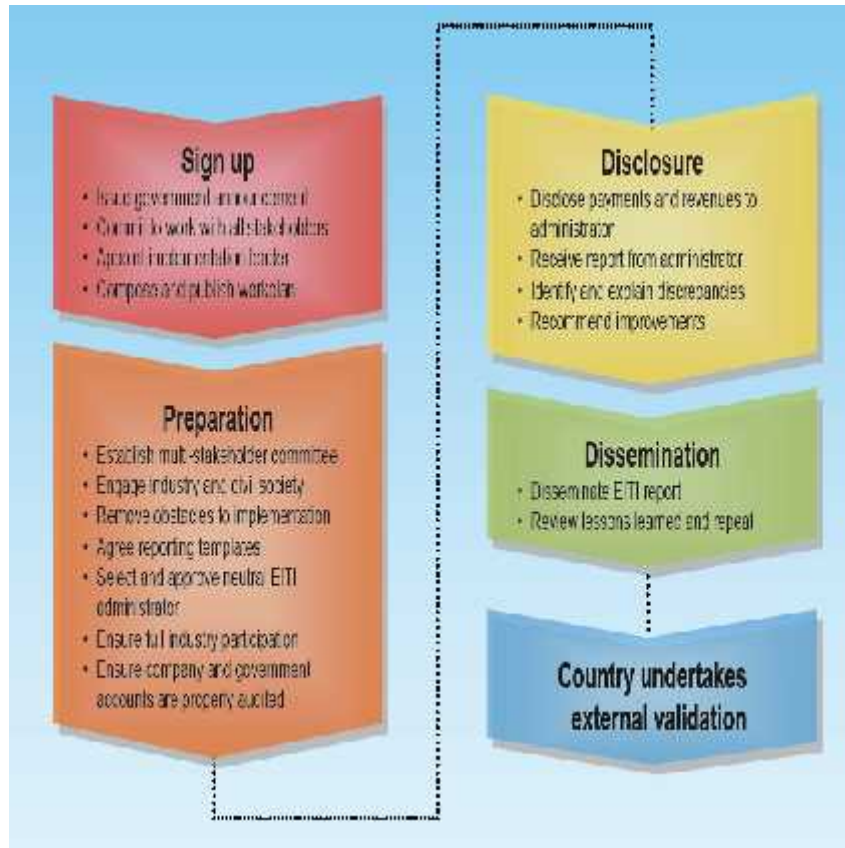
# EITI Solomon Islands



## 2. Processes taken to become an EITI Candidate.

- **The Government through Cabinet in July 2011 agreed to implement EITI.**
- **Minister of Finance and Treasury was appointed as the EITI Champion in July 2011.**
- **In January 28<sup>th</sup> 2012 the Minister of Finance and Treasury publicly announced the formation of National Stakeholder Group (MSG-Multi Stakeholders Group). *Government, Companies & Civil Society.***

# EITI Solomon Islands



## Continue-Processes taken to become an EITI Candidate.

- **First NSG meeting was conducted on 15<sup>th</sup> February 2012 and resolved that the NSG formulate the 2012-2014 work plan and budget, establish an MOU to govern the operation of the NSG.**
- **In May 2012, the NSG finalized the work plan, budget & MOU. Then submitted its candidacy application to the EITI International Secretariat**
- **On 28 June 2012, Solomon Islands was admitted as EITI candidacy country by the EITI Board meeting held in Lima Peru**



# EITI Solomon Islands

## BOX 1 EITI REQUIREMENTS

The EITI requires:

- 1 Effective oversight by the multi-stakeholder group.
- 2 Timely publication of EITI Reports.
- 3 EITI Reports that include contextual information about the extractive industries.
- 4 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.
- 5 A credible assurance process applying international standards.
- 6 EITI Reports that are comprehensible, actively promoted, publicly accessible, and contribute to public debate.
- 7 That the multi-stakeholder group takes steps to act on lessons learned and review the outcomes and impact of EITI implementation.

### 3. Requirements for Reporting Validation.

- Defining the taxes and revenue to be covered in the EITI Report.
- Defining which companies and government entities are required to report.
- The National Stakeholder Group must approve the reporting template.
- Appointment of the Independent Administrator.
- Agreement of Independent Administrator's terms of reference.
- Assessment and recommendations from the independent Administrator.
- The National Stakeholders Group should endorse the EITI Report prior to its publication.

# EITI Solomon Islands

## 4. Experiences/Challenges

- **Depends on donor funds for initial set-up of the National Secretariat - Delay in office set up.**
- **Legal barriers for disclosure of information –Mining Legislation, Tax Laws, etc..**
- **Slow data collection – Disintegration of sources of data required**
- **Need full time dedicated National Coordinator with the National Secretariat staff.**
- **Ongoing commitment from all stakeholders (MSG)- Civil Society, Companies, Government**

# EITI Solomon Islands

## 5. Next immediate steps - Activities in 2014.

- **Submission of the Report on the 29<sup>th</sup> June 2014.**
- **Dissemination of the Report – Launching of the Report, Creation of Solomon Is, EITI Website-July 2014,**
- **Recruitment of Validator-July 2015.**

# EITI Solomon Islands MSG Meetings



**EITI Solomon Islands**

**Tagio tumas.**