EITI SUB-NATIONAL REPORTING: COMPARATIVE PERSPECTIVES
THE TEAM:
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[Logos of ICIRD and Norman B. Keevil Institute of Mining Engineering]
These 48 countries are the EITI

Explore the countries that have committed to more openness and are publishing their revenues from oil, gas and mining.

Explore countries
July 2011, EITI introduces new rules for reporting on sub-national resource revenues.

Sub-national transfers include money collected at the local level from extractive companies or money transferred to local governments as a form of redistribution of mining revenues collected by the national governments.
This research investigates country-specific sub-national reporting capacity, implementation strategies, challenges, and benefits, for thirteen EITI members.

How does Mongolia compare? Are there lessons to be learned from other countries?
13 COUNTRIES STUDIED
LIMITATIONS

- Findings are preliminary & exploratory
- Principally document review
- Aspirational vs implementation
- Language constraints
- EITI reports are not timely: No access to 2014 data
EVALUATION

1. Does the country a stated plan for SNR?
2. Evidence of SNR reporting, training, or workshops?
3. Evidence of sub-national revenue transfer?
4. Legislation requiring SNR?
5. Has the EITI member country issued any documents/reports including SNR information?
<table>
<thead>
<tr>
<th>Country</th>
<th>Does the country have a stated plan for SNR?</th>
<th>Any action taken towards SNR workshops or training?</th>
<th>Any evidence of subnational revenue transfer?</th>
<th>Any evidence legislation pertaining to mandatory subnational reporting?</th>
<th>Has country issued documents with info re subnational reporting?</th>
<th>Final Score</th>
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DIMENSIONS

1. Democratic governance
2. Rule of law
3. Civil society participation
4. Perception of corruption
5. Dominant industry
FINDINGS AND OBSERVATIONS

Dimension 1: Democratic Governance

- Peru
- Ghana
- Mongolia
- Guatemala
- Indonesia
- Phillipines
- Kyrgyzstan
- Mauritania
- Kazakhstan
- Myanmar
- Yemen
- Republic of Congo

Economist Democracy Index Ranking vs. Subnational Reporting Score

- Country
- Linear (Country)
FINDINGS AND OBSERVATIONS (cont’d)

Dimension 2: Rule of Law

- Country
- Linear (Country)
Dimension 3: Civil Society Participation

FINDINGS AND OBSERVATIONS (cont’d)
FINDINGS AND OBSERVATIONS (CONT’D)

Dimension 4: Perception of Corruption

- Countries represented in the graph include Peru, Ghana, Democratic Republic of the Congo, Guatemala, Mongolia, Indonesia, Phillipines, Myanmar, Kazakhstan, Mauritania, Yemen, Kyrgyzstan, and Republic of the Congo.

The graph shows the relationship between subnational reporting score and corruption perception index ranking.
### Findings and Observations

#### Dimension 5: Dominant Extraction Industry (Oil/Gas vs. Mining)

<table>
<thead>
<tr>
<th>Country</th>
<th>Dominant Industry (Oil and Gas / Mining)</th>
<th>% GDP Mining</th>
<th>% GDP O&amp;G</th>
<th>SNR Score</th>
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<td>Ghana</td>
<td>M</td>
<td>9.15%</td>
<td>6.00%</td>
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<tr>
<td>Peru</td>
<td>M</td>
<td>6.00%</td>
<td>0.50%</td>
<td>4.5</td>
</tr>
<tr>
<td>Mongolia</td>
<td>M</td>
<td>18.00%</td>
<td>0.00%</td>
<td>4</td>
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<tr>
<td>Guatemala</td>
<td>OG</td>
<td>2.00%</td>
<td>0.00%</td>
<td>4</td>
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<tr>
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<td>8.50%</td>
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<td>7.00%</td>
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<td>3.55%</td>
<td>6.50%</td>
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<td>2.30%</td>
<td>71.00%</td>
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</table>
COMMON ISSUES

- Governance
- Access to funding for sub-national reporting
- Definition of materiality/thresholds for reporting
- Lack of common nomenclature and reporting templates
- Legal uncertainty/enforcement
- Constraints on local capacity
CASE STUDY: MONGOLIA
MONGOLIA: OUR FINDINGS

- Clear trend towards implementing SNR
- Evidence of activities to build capacity
- Sub-councils with work plans
- Work plans outline activities
  - Capacity building and training activities outlined
  - Improve public awareness (media outreach)
  - Regional conferences
MONGOLA COUNTRY VISIT MEETINGS

- Mongolian University of Science and Technology, School of Mining and Geology
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
- EITI secretariat, Mongolia
- Ministry of Mining
- Journalists from the Mining Journal of Mongolia
- Multi-stakeholder group round table
MONGOLIA COUNTRY VISIT FINDINGS

- Common SNR template and nomenclature established
- Electronic database system for reporting sub-national revenue transfers
- Workshops to provide training for local officials tasked with SNR
- Extractive industries transparency legislation before parliament for review.
MONGOLIA COUNTRY VISIT FINDINGS

CSO groups press for improvement
• Need a clear demonstration of the value of EITI membership
• Call for reporting on how extractive revenue is used
• EITI reports viewed as dense, difficult to understand: need to be accessible and timely
• Being addressed by Mongolian Mining Journal & GIZ
CONCLUSIONS

- Each country’s SNR will be unique based on regulatory framework
- Yet, common operational framework is needed
- Within common framework countries can define their own SNR program
- Sub-national governments can best identify needs and requirements of their population
No. 1

Provide local decision makers with expert guidance on SN transfer issues and clear criteria on which sub-national revenue streams will be reported at which threshold.
RECOMMENDATIONS

No. 2

Establish common nomenclature and reporting templates to enable consistency in reporting across jurisdictions.

■ This will reduce the administrative burden at both the sub-national and national level.
RECOMMENDATIONS

No. 3

Improve access to information.

■ Shortened versions of the EITI reports
■ Workshops & training sessions undertaken by CSOs.
■ Outreach
QUESTIONS?

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