

## UK Extractive Industries Transparency Initiative Multi-Stakeholder Group (MSG)

### Minutes of the 28<sup>th</sup> Meeting – 22<sup>nd</sup> May 2018 – BEIS Conference Centre, SW1H 0ET (10-2pm)

#### Attendance

<p><b><u>Chair</u></b></p> <p>Matt Ray - Department for Business, Energy and Industrial Strategy</p> <p><b><u>Secretariat</u></b></p> <p>David Leitch - Department for Business, Energy and Industrial Strategy</p> <p>Mike Nash - Department for Business, Energy and Industrial Strategy</p> <p><b><u>Industry</u></b></p> <p>Jerry McLaughlin – Mineral Products Association</p> <p>Dr Patrick Foster - Mining Association of the UK &amp; Camborne School of Mines, University of Exeter (by phone)</p> <p>Jacqui Akinlosotu – ENI</p> <p>Martin Kirkham – Chevron (by phone)</p> <p><b><u>Civil Society</u></b></p> <p>Lorraine Allanson</p> <p><b><u>Government</u></b></p> <p>Mike Earp - Oil &amp; Gas Authority</p> <p>James Marshall – HMRC</p> <p>Jeff Asser – Department for Business, Energy and Industrial Strategy</p>	<p><b><u>Experts</u></b></p> <p>Eddie Rich – EITI International Secretariat</p> <p>Tim Woodward – Moore Stephens</p> <p>Hedi Zaghouani – Moore Stephens</p> <p><b><u>Others</u></b></p> <p>Lucy Buglass Oil &amp; Gas UK</p> <p><b><u>Apologies</u></b></p> <p>Martin Quinn – Department for the Economy Northern Ireland</p> <p>Romina Mele-Cornish – Oil &amp; Gas UK</p> <p>David Hoy – Oil &amp; Gas UK</p> <p>Howard Forti – Exxon Mobil</p> <p>John Bowater – Aggregate Industries</p> <p>Matt Landy - Statoil</p> <p>Eddie Holmes – Extractive Industries Civil Society</p>
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#### **1 – Welcome and introductions:**

1. The Chair welcomed all to the 28<sup>th</sup> meeting of the UK EITI MSG and thanked all those who took part and contributed to the 3<sup>rd</sup> UK EITI report, which was published on 30 April.
2. Work has now begun on the 2017 report, with plans to accelerate the process and publish the report by the end of the year.

## **2 – Agreement of minutes of 14<sup>th</sup> March 2018 meeting**

3. The minutes of the previous meeting were agreed.
4. The MSG were updated on actions from the March meeting. The updates were:
  - The secretariat has continued to maintain a list of actions from previous meetings.
  - The Ministerial “Foreword” was completed and included within the 3<sup>rd</sup> UK EITI report.
  - Industry have agreed a draft timetable for the 2017 process, which will be circulated to the MSG for approval.
  - The secretariat are actively looking into a scoping study into mainstreaming with BEIS analysts. This will be added to the agenda for the July meeting to discuss further.
  - Tick box added to reporting templates for 2017 to indicate if figures are available already.
  - No proposals were received for using the Minister at an EITI event in May.
  - A validation sub-group was set up and held their inaugural meeting on 26<sup>th</sup> April.
  - The work-plan is currently in the process of being drafted by the secretariat. It will be circulated for MSG approval in early June, with a publication deadline of the end of June.

## **3 – Publication of the 3<sup>rd</sup> UK EITI report and the 2017 process**

5. Members were thanked once again for their efforts in ensuring that the 3<sup>rd</sup> report was published at the end of April.
6. The accelerated 2017 process has started and Moore Stephens have sent out reporting templates to all the companies who participated last year. Three companies have responded so far and one has decided not to participate.
7. The reconciliation subgroup will meet in June to decide the methodology and scope for 2017. Moore Stephens have written to the Oil and Gas Authority (OGA), HMRC, the Coal Authority (CA), The Crown Estate (TCE) and Crown Estates Scotland (CES) to engage them at an early stage.
8. Moore Stephens are awaiting a response from CES, but have meetings arranged with HMRC and TCE. The Chair agreed to contact CES at a senior level to get them on board.

## **4 – Pre-validation self-assessment workshop**

9. The pre-assessment workshop is a useful tool for identifying challenges and opportunities and help to understand the validation process.
10. The MSG were asked to consider and discuss seven of the requirements of the 2016 EITI Standard in two groups and report back with the outcomes of their discussions. The feedback from the discussions is in Annexes A-G.
11. Requirement 1 (Annex A) looked at MSG oversight.
12. Requirement 2 (Annex B) looked at contracts and licences.
13. Requirement 3 (Annex C) looked at production and exports.
14. Requirement 4 (Annex D) looked at revenue collection.
15. Requirement 5 (Annex E) looked at revenue allocations.

16. Requirement 6 (Annex F) looked at social and economic spending.
17. Requirement 7 (Annex G) looked at outcomes and impact.
18. The MSG did not seek to estimate a rating for each section of the Standard, but overall felt that the UK had not yet fully achieved the Standard, but were making at least meaningful progress.
19. The validation will begin in the first week of July with a number of meetings with MSG representatives. The independent validator will provide the first draft of his report for the International Board to consider in September/October 2018.

## **5 – Any Other Business**

20. At the next meeting on 10 July the agenda will include looking at ways of making the 2017 report more user-friendly.

## **Action Points**

- Secretariat to circulate the draft work-plan and annual progress report for MSG approval and publication at the end of June.
- Secretariat to circulate draft timetable for 2017 process for MSG approval.
- Initial scoping of mainstreaming meetings to be held in June with an update provided at the July MSG.
- Reconciliation subgroup meeting to be arranged for 21<sup>st</sup> June to discuss methodology and scope for 2017.
- Chair to engage with Crown Estate Scotland to bring them into the 2017 process.
- Minutes to be circulated and agreed by the MSG before the end of June to ensure any quick wins pre-validation.
- The MSG agreed that an explanation of the gaps in mining and quarrying information should be explained by a note on the UK EITI website before the end of June 2018.
- The MSG agreed that an explanation as to why licence application dates were not included should be included on the UK EITI website before the end of June 2018.
- The Secretariat agreed to work closely with the BEIS policy team to ensure that it maps to the People with Significant Control (PSC) register.
- The MSG agreed that it needed to be made clear that the UK government are not the owners of the upstream oil and gas pipelines before the end of June 2018.
- The MSG agreed to highlight that there were no rental fees for petroleum licences in Northern Ireland on the UK EITI website before the end of June 2018.
- Secretariat to ensure an item on the format of the 2017 report is included on the agenda for the 10<sup>th</sup> July meeting.

## Annex A: Validation self assessment exercise – requirement 1 – MSG oversight

### Instructions:

1. With reference to the provisions in the EITI Standard and the Validation Guide, consider the **self-assessment questions** below.
2. Indicate the **MSG’s response** to the self-assessment questions, backed up by references (MSG meeting minutes, EITI Report etc.) and/or explanations.
3. Based on the response, consider the **level of progress** in meeting the requirement. A definition of “satisfactory progress”, “meaningful progress”, “insufficient progress” and “no progress” is available in requirement 8.3.a of the [2016 EITI Standard](#).
4. Outline any **follow-up activities** or **remedial actions** ahead of validations, **timeframes** for completing these and indicate who is **responsible**.

### Requirement 1: MSG oversight

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
<p><b>Government engagement</b> EITI provisions: 1.1</p>	<ol style="list-style-type: none"> <li>1. Has the government issued a public statement of its commitment to implement the EITI?</li> <li>2. Has the government appointed a senior individual to lead on the implementation of the EITI? Does the appointee have the confidence of all stakeholders, the authority and freedom to coordinate action on the EITI across relevant ministries and agencies, and be able to mobilise resources for EITI implementation ?</li> <li>3. Are senior government officials represented on the MSG?</li> <li>4. Are government representatives fully, actively and effectively engaged in the design, implementation, monitoring and evaluation of the EITI process?</li> </ol>	<p>Since the inception of the UK EITI MSG the UK EITI Champion has been sourced from Ministerial level MP’s from BEIS. Andrew Griffiths, MP, the Parliamentary Under-Secretary of State for Small Business, Consumers and Corporate Responsibility was appointed UK EITI Champion in March 2018 and took over from Margot James MP, when she moved Department. The Minister provided the “Foreword” for the 3<sup>rd</sup> UK EITI report, in which he re-affirmed the UK Government’s commitment to the EITI process. There is a strong government representation on the MSG from across Whitehall, including representatives from HMRC, BEIS, DfID, HMT, Northern Ireland and the Oil and Gas Authority. All actively participate in the MSG and subgroup meetings covering the reconciliation process, sectoral information and communications.</p>	<p>The UK Secretariat based in BEIS are responsible for ensuring that the UK EITI Champion is kept up to date on all UK EITI matters, providing updated briefing notes on a regular basis.</p>

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
<b>Company engagement</b> EITI provisions: 1.2	<b>Company engagement</b> <ol style="list-style-type: none"> <li>1. Are company representatives fully, actively and effectively engaged in the design, implementation, monitoring and evaluation of the EITI process?</li> <li>2. Is there an enabling environment for company participation in the EITI? Are relevant laws, regulations, and administrative rules as well as actual practice in implementation of the EITI conducive to company participation in the EITI process?</li> <li>3. Are there any obstacles to company participation?</li> </ol>	Representatives from the oil and gas and mining and quarrying industries are fully engaged, and experts and observers are widely welcomed to all MSG meetings. Industry also fully participates in the work of the various subgroups.	The UK Secretariat organise regular reconciliation sub-group meetings where industry representatives help shape the methodology and scope of the process each year. Industry members are involved in approving all decisions regarding the EITI process.
<b>Civil society engagement</b> EITI provisions: 1.3	<ol style="list-style-type: none"> <li>1. Are civil society representatives<sup>1</sup> able to engage in public debate related to the EITI process and express opinions about the EITI process without restraint, coercion or reprisal?</li> <li>2. Are civil society representatives able to operate freely in relation to the EITI process?</li> <li>3. Are civil society representatives able to communicate and cooperate with each other regarding the EITI process?</li> <li>4. Are civil society representatives able to be fully, actively and effectively engaged in the design, implementation, monitoring and evaluation of the EITI process?</li> </ol>	<p>The MSG has benefitted from full civil society engagement representing a range of interest groups. Civil society representatives have and continue to be able to represent their views fully, freely and effectively within the MSG and its subgroups.</p> <p>Disagreements within the constituency over the nominations process have meant that since late 2017 some previously active members of the constituency have declined to nominate new members. Nonetheless, constituency membership remains quorate and actively involved in MSG and subgroup meetings.</p>	UK secretariat to continue to support civil society groups in finding a long-term solution to the nominations process for the constituency, and to encourage nominations from a broad range of civil society participants.

<sup>1</sup> For purposes of this assessment, references to ‘civil society representatives’ will include civil society representatives who are substantively involved in the EITI process, including but not limited to members of the multi-stakeholder group. References to the ‘EITI process’ will include activities related to preparing for EITI sign-up; MSG meetings; CSO constituency side-meetings on EITI, including interactions with MSG representatives; producing EITI Reports; producing materials or conducting analysis on EITI Reports; expressing views related to EITI activities; and expressing views related to natural resource governance.

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<p>5. Are civil society representatives able to speak freely on transparency and natural resource governance issues, and ensure that the EITI contributes to public debate?</p> <p>6. Is there an enabling environment for civil society participation in the EITI? Are relevant laws, regulations, and administrative rules as well as actual practice in implementation of the EITI conducive to civil society participation in the EITI process? Are there any obstacles to civil society participation?</p> <p>In assessing these questions, reference should be made to the <a href="#">civil society protocol</a>.</p>	<p>There is an open invitation for other groups to put forward nominations, and the secretariat continues to engage with those groups to encourage them to rejoin the MSG.</p>	
<p><b>MSG functioning</b> EITI provisions: 1.4</p>	<p>1. Did stakeholders ensure that the invitation to participate in the MSG was open and transparent?</p> <p>2. When were the current MSG members appointed? For each stakeholder group, what was the process used to nominate MSG representatives? Did civil society and companies appoint their own representatives?</p> <p>3. Do stakeholders consider that they are adequately represented? How did the MSG agree on the number of MSG representatives from each stakeholder group? Does current membership reflect the diversity of each constituency?</p> <p>4. Are civil society MSG members operationally and in policy terms independent of government and companies?</p>	<p>The Terms of Reference <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/451326/Terms_of_Reference_for_the_UK_EITI_Multi_Stakeholder_Group_v5.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/451326/Terms_of_Reference_for_the_UK_EITI_Multi_Stakeholder_Group_v5.pdf</a> need to be tightened on the subject of succession planning and length of appointment. There has been a regular churn of industry, civil society and government over the last three years. Both civil society and industry appoint their own representatives. Both constituencies have a good, diverse membership. All decisions are taken at either meeting, or if there is a need, via email. The current Terms of Reference cover the role of the MSG, terms of membership, meetings and decision-making.</p>	<p>UK Secretariat to work with MSG and BEIS legal team to update the Terms of Reference on succession planning and the length of appointments.</p>

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<p>5. Do MSG members have sufficient capacity to carry out their duties?</p> <p>6. How does the MSG take decisions? Where can information about decision-making rules be found? Are decision-making rules followed?</p> <p>7. Does the MSG have agreed Terms of Reference (TORs) for their work?</p> <p>8. Do the TORs:</p> <ul style="list-style-type: none"> <li>- outline the role and responsibilities of MSG members, including outreach activities and liaison with constituency groups?</li> <li>- give the MSG a mandate to approve workplans, the appointment of the Independent Administrator including the Terms of Reference for the Independent Administrator's work, EITI Reports and annual progress reports?</li> <li>- include internal governance rules and procedures, including inclusive decision-making procedures, procedures for nominating and changing MSG members, information on the mandate and frequency of MSG meetings, and information about the MSGs per diem practices?</li> </ul> <p>9. Is there sufficient advance notice of meetings and timely circulation of documents prior to their debate and proposed adoption ?</p>	<p>Members are notified of meetings for the whole of the following year at least three months ahead of the first meeting of the next year. Papers are circulated for each meeting a week in advance and the minutes for each meeting are agreed and loaded onto the UK EITI website.</p> <p>See notes above on civil society representation. Members are fully independent of government and companies.</p>	

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<p>10. Does the multi-stakeholder group keep written records of its discussions and decisions?</p> <p>11. Are there any parts of the TORs that are not followed in practice?</p> <p>Has the MSG considered establishing a legal basis for the group?</p>		
<p><b>Work plan</b> EITI provisions: 1.5</p>	<ol style="list-style-type: none"> <li>1. Does the MSG have an up-to-date workplan?</li> <li>2. Does the workplan contain objectives for implementation that reflect national priorities for the extractive industries? What consultations were undertaken to agree the objectives?</li> <li>3. Does the workplan contain measurable and time-bound activities to achieve the agreed objectives?</li> <li>4. Does the workplan include actions to address any capacity constraints identified by the MSG?</li> <li>5. Does the workplan include activities related to agreeing the scope of EITI reporting?</li> <li>6. Does the workplan include activities aimed at addressing any legal or regulatory obstacles to implementation?</li> <li>7. Does the workplan outline the MSG's plans for implementing the recommendations from Validation and EITI Reporting?</li> <li>8. Does the workplan include costings and funding sources?</li> <li>9. Does the workplan include a timetable for implementation? Is the timetable followed?</li> </ol>	<p>The MSG needs to update its annual workplan. The workplan contains measurable, costed and time-bound activities. It will be made available on the UK EITI website.</p>	<p>The UK secretariat are currently in the progress of updating the workplan, which will need to be agreed by the MSG before being published at the end of June 2018.</p>



EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<p>10. Is the workplan widely available to the public?</p> <p>11. In reviewing the workplan, has the MSG considered extending the detail and scope of EITI reporting to address issues such as revenue management and expenditure, transportation payments, discretionary social expenditures, ad-hoc sub-national transfers, beneficial ownership and contracts, when reviewing the workplan?</p>		

## Annex B: Validation self assessment exercise – requirement 2 – Contracts and licenses

### Instructions:

1. With reference to the provisions in the EITI Standard and the Validation Guide, consider the **self-assessment questions below**.
2. Indicate the **MSG’s response** to the self-assessment questions, backed up by references (MSG meeting minutes, EITI Report etc.) and/or explanations.
3. Based on the response, consider the **level of progress** in meeting the requirement. A definition of “satisfactory progress”, “meaningful progress”, “insufficient progress” and “no progress” is available in requirement 8.3.a of the [2016 EITI Standard](#).
4. Outline any **follow-up activities** or **remedial actions** ahead of validations, **timeframes** for completing these and indicate who is **responsible**.

### Requirement 2 – Contracts and licenses

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
<b>Legal framework</b> EITI provision 2.1	<ol style="list-style-type: none"> <li>1. Does the EITI Report<sup>1</sup> include a summary description of the fiscal regime, including the level of fiscal devolution, an overview of the relevant laws and regulations, and information on the roles and responsibilities of the relevant government agencies?</li> <li>2. *Does the EITI Report include any information about reforms that are underway?</li> </ol>	There is a comprehensive description of the fiscal regime within the report.	
<b>License allocations</b> EITI provision 2.2	<ol style="list-style-type: none"> <li>1. Does the EITI Report state whether any oil, gas, or mining licences/contracts were awarded during the financial year covered by the EITI Report?</li> <li>2. If licenses were awarded, does the EITI Report disclose:</li> </ol>	There is no specific information within the report, but there are links to sources of information on mining licences and how they are allocated and what they cover.	Sectoral subgroup to look at including more detailed information on licence allocations for both oil and gas and mining and quarrying.

<sup>1</sup> The term ‘EITI Report’ in the context of a disclosure mechanism is used as shorthand for the information and data that should be disclosed in accordance with the EITI Standard. The data can be disclosed in the form of an EITI Report, or constitute publicly available information and data gathered or cross-referenced as part of the EITI process.

\* Such disclosures are encouraged, but not required and will not be considered in assessing compliance.

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<ul style="list-style-type: none"> <li>- the process for awarding the license?</li> <li>- the technical and financial criteria used?</li> <li>- any non-trivial deviations from the stipulated licensing procedure?</li> <li>- the name of the applicants (for bidding rounds)?</li> </ul> <p>3. * Does the EITI Report include any information about license allocations happening prior to the fiscal year covered by the EITI Report?</p> <p>4. *Does the EITI Report include any additional information about the allocation of licenses, such as the efficiency and effectiveness of licensing systems?</p>		
<p><b>License registers</b> EITI provision 2.3</p>	<p>1. Does the EITI Report provide a link to or include a register of licences/contracts pertaining to the companies covered by the EITI Report?</p> <p>2. Does the register include:</p> <ul style="list-style-type: none"> <li>- the name of the license holder(s)?</li> <li>- coordinates of the license area? If coordinates are not provided, can stakeholders access these from the relevant government office without unreasonable fees or other restrictions?</li> <li>- date of application, award and duration of the license/contract?</li> <li>- commodity being produced?</li> </ul>	<p>This can be mixed. The sources provide the majority of this information apart from the application date. The focus is on when the licence starts rather than when they are applied for. The MSG agreed an explanation was required on the UK EITI website.</p>	<p>UK Secretariat to work with OGA on wording for the lack of licence registers within the EITI report on the UK EITI website.</p>

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<p>3. Does the register include licenses held by companies not covered by the EITI reporting process? If not, does the EITI Report explain the gaps in publicly available information, barriers to provision of this information and the government's plans to overcome these barriers?</p>		
<p><b>Contracts</b> EITI provision 2.4</p>	<p>1. * Does the country publicly disclose any contracts and licenses for oil, gas and mineral exploitation?</p> <p>2. Does the EITI Report explain the government's policy on contract transparency, including relevant legal provisions, actual disclosure practices and any government reforms that are planned or underway?</p> <p>3. Where contracts are disclosed, does the EITI Report provide an overview of the contracts and information on how these can be accessed?</p>	<p>Not discussed in the report, considered in the subgroups, assessment reported back to the MSG where ultimate decision to include/exclude is made.</p>	
<p><b>Beneficial ownership</b> EITI provision 2.5</p>	<p>1. * Does the country have a publicly available register of beneficial owners? Where a publicly available registry exists, does the EITI report include guidance on how to access this information?</p> <p>2. Does the EITI Report document the government's policy and MSG's discussion on the disclosure of beneficial ownership, including details of the relevant legal provisions, actual disclosure practices and any reforms that are planned or underway related to beneficial ownership?</p>	<p>The UK maintains a national People with Significant Control (PSC) register, which captures Beneficial Ownership. A Beneficial Ownership roadmap is available on the UK EITI website</p> <p><a href="https://www.gov.uk/government/groups/uk-extractive-industries-transparency-initiative-multi-stakeholder-group#uk-eiti-beneficial-ownership-roadmap">https://www.gov.uk/government/groups/uk-extractive-industries-transparency-initiative-multi-stakeholder-group#uk-eiti-beneficial-ownership-roadmap</a></p>	<p>The Secretariat agreed to work closely with the BEIS policy team to ensure the Beneficial Ownership information captured by the EITI reporting process maps to the PSC register. There were verification issues this year.</p> <p>UK Secretariat to consider ways of raising awareness of beneficial ownership to companies and review information from 3<sup>rd</sup> report.</p>

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<p>3. Has the MSG published a roadmap including milestones and deadlines for disclosing beneficial ownership information, in accordance with requirements 2.5.(c-f) of the EITI Standard? <i>(Note that this requirement comes into force on 1 January 2017.)</i></p> <p>4. *Has the country requested and have companies disclosed beneficial ownership information for inclusion in the EITI Report? Have gaps and weaknesses in reporting been disclosed, including naming any entities that failed to submit all or parts of the beneficial ownership information?</p> <p>5. * Does information on the identity of the beneficial owner include the name of the beneficial owner, their nationality and country of residence? Does it identify any politically exposed persons?</p> <p>6. * Has the MSG agreed an approach for participating companies to assure the accuracy of the beneficial ownership information provided? Have they agreed upon an appropriate definition of beneficial ownership in alignment with the definition provided in 2.5.f.i. of the EITI Standard?</p> <p>7. * Do publicly listed companies, including wholly-owned subsidiaries, disclose the name to the stock exchange and a link to the stock exchange filings where they are listed?</p> <p>8. Does the EITI Report disclose the legal owners and share of ownership?</p>	<p>The roadmap covers the 2017-2019 period. A list of privately held companies that made material payments to the UK Government under UK EITI are included in the UK EITI reports.</p>	

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
<p><b>State-ownership</b> EITI provisions 2.6</p>	<ol style="list-style-type: none"> <li>1. * Has the MSG discussed and documented its definition of SOEs taking into account national laws and governance structures?</li> <li>2. Are there any state-owned enterprises engaged in the extractive sector? If so, does the EITI Report disclose the prevailing rules and practices regarding the financial relationship between the government and state-owned enterprises?</li> <li>3. Does the EITI Report document the government's and/or SOE(s)' level of ownership in mining, oil and gas companies operating within the country's oil, gas and mining sectors, including those held by SOE subsidiaries and joint ventures?</li> <li>4. Does the report disclose any changes in the level of ownership during the reporting period ?</li> <li>5. *Where changes to ownership have occurred, have the terms of the transactions been disclosed? If changes are not disclosed, has the MSG documented and explained the barriers to provision of this information and any government plans to overcome these barriers?</li> <li>6. Does the EITI Report disclose details about any loans or loan guarantees provided by the government and/or SOEs to mining, oil and gas companies operating in the country?</li> </ol>	<p>Not discussed in the report, considered in the subgroups, assessment reported back to the MSG where ultimate decision to include/exclude is made.</p>	

<b>EITI provisions</b>	<b>Self assessment questions</b>	<b>Response, including reference to evidence, or explanation of rationale</b>	<b>Action points, timeframe and responsible party</b>
<b>Timeliness, comprehensive-ness, and reliability</b>	1. Has the MSG considered the timeliness, comprehensiveness and reliability of the above information related to contracts and licenses?	The latest available information is used for tables/graphs published in the report – this information can be more recent than the government payment streams published.	

## Annex C: Validation self assessment exercise – requirement 3 – Production and exports

### Instructions:

1. With reference to the provisions in the EITI Standard and the Validation Guide, consider the **self-assessment questions** below.
2. Indicate the **MSG's response** to the self-assessment questions, backed up by references (MSG meeting minutes, EITI Report etc.) and/or explanations.
3. Based on the response, consider the **level of progress** in meeting the requirement. A definition of “satisfactory progress”, “meaningful progress”, “insufficient progress” and “no progress” is available in requirement 8.3.a of the [EITI Standard](#).
4. Outline any **follow-up activities** or **remedial actions** ahead of validations, **timeframes** for completing these and indicate who is **responsible**.

### Requirement 3 - Production and exports

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
<b>Exploration activities</b> EITI provision 3.1	1. Does the EITI Report contain an overview of the extractive industries, including any significant exploration activities ?	Yes – there is a good, comprehensive overview within the report, which provides information on recent developments and the future outlook for both the oil and gas and mining and quarrying industries.	
<b>Production data</b> EITI provision 3.2	1. Does the EITI Report disclose the production volumes and the value of production by commodity ? 2. Where relevant, is the data disaggregated by state/region? 3. * Does the EITI Report include sources of the production data and information on how the production volumes and values disclosed in the EITI Report have been calculated ?	The production data is not completely comprehensive. It was agreed by the MSG that an explanation of the gaps in the mining and quarrying information (the data is no longer collected by Government) should be explained on the UK EITI website. A section within the report covers the regional distribution of extractive activities and includes a table that clearly sets out the share by region.	UK Secretariat and mining and quarrying representatives to agree a wording explaining the gaps in the mining and quarrying information.



<b>EITI provisions</b>	<b>Self assessment questions</b>	<b>Response, including reference to evidence, or explanation of rationale</b>	<b>Action points, timeframe and responsible party</b>
<b>Export data</b> EITI provision 3.3	<ol style="list-style-type: none"> <li>1. Does the EITI report disclose export volumes and the value of exports by commodity?</li> <li>2. Where relevant, is the data disaggregated by state/region of origin ?</li> <li>3. * Does the EITI Report include sources of the export data and information on how the export volumes and values disclosed in the EITI Report have been calculated ?</li> </ol>	Yes – there is a specific section covering export data for 2012-2016 with tables showing both the value and volume of exports. The data on oil and gas is comprehensive, but the data on minerals is poor, as the data is no longer collected by Government.	UK Secretariat and mining and quarrying industry representatives to provide explanation to why production and export data for some commodities is missing.
<b>Timeliness, comprehensiveness and reliability</b>	<ol style="list-style-type: none"> <li>1. Has the MSG considered the timeliness, comprehensiveness and reliability of the above information related to production and exports?</li> </ol>	The latest available information is used for tables/graphs published in the report – this information can be more recent than the government payment streams published.	

## Annex D: Validation self assessment exercise – requirement 4 – Revenue collection

### Instructions:

1. With reference to the provisions in the EITI Standard and the Validation Guide, consider the **self-assessment questions** below.
2. Indicate the **MSG’s response** to the self-assessment questions, backed up by references (MSG meeting minutes, EITI Report etc.) and/or explanations.
3. Based on the response, consider the **level of progress** in meeting the requirement. A definition of “satisfactory progress”, “meaningful progress”, “insufficient progress” and “no progress” is available in requirement 8.3.a of the [2016 EITI Standard](#).
4. Outline any **follow-up activities** or **remedial actions** ahead of validations, **timeframes** for completing these and indicate who is **responsible**.

### Requirement 4 - Revenue collection

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
<p><b>Comprehensive disclosure of taxes and revenues</b> EITI provision 4.1</p>	<ol style="list-style-type: none"> <li>1. Has the MSG agreed a materiality definition, including reporting thresholds? What options did the MSG consider and what is the rationale for the chosen materiality definition and thresholds? Are the definition and thresholds disclosed? Is a description of the material revenue streams disclosed?</li> <li>2. Has the MSG considered all revenue streams listed in provision 4.1.b? Where the MSG has agreed to exclude certain revenue streams from the EITI Report, is the rationale for their exclusion documented?</li> <li>3. Has the MSG identified the companies making material payments? Did these companies fully report all payments in accordance with the materiality definition?</li> <li>4. Has the MSG identified the government entities receiving material revenues and whether these government entities fully reported all receipts in accordance with the materiality definition?</li> </ol>	<p>Yes. There are areas that need to be clearer, but overall we are capturing what we should be. All oil and gas companies submitted a waiver and although two mining and quarrying companies failed to respond we still had a waiver from the companies. The MSG agreed that it needed to be made clear that the UK government does not own the oil and gas pipelines and that there are no rental fees for petroleum licences in Northern Ireland.</p> <p>4.1.1 Yes – the EU Accounting Directive. 4.1.2. Yes – considered by the reconciliation subgroup. 4.1.3. Yes – HMRC, OGA, TCE and mining and quarrying subgroup. (Don’t know what we don’t know) 4.1.4. Yes – local councils issue.</p>	<p>UK Secretariat to work on wording for MSG agreement making it clear that the UK Government does not own the pipelines and that in Northern Ireland there are no rental fees for petroleum licences.</p>

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<p>5. Has the government fully reported all revenues, including any revenues below the materiality thresholds?</p> <p>6. Did any companies fail to submit reporting templates, or fail to fully disclose all the payments in accordance with the template? If yes, does the EITI Report<sup>1</sup> documents include an assessment of the impact of the omission(s) on the comprehensiveness of the report?</p> <p>7. Did any government entities fail to submit reporting templates, or fail to fully disclose all the revenues in accordance with the template? If yes, does the EITI Report documents include an assessment of the impact of the omission(s) on the comprehensiveness of the report?</p> <p>8. Does the EITI Report include an assessment by the Independent Administrator with regards to the comprehensiveness of the EITI disclosures and coverage of the reconciliation?</p>	<p>4.1.5. Yes.</p> <p>4.1.6. Yes – need to access impact – progress report.</p> <p>4.1.7. No.</p> <p>4.1.8. IA recommendations are published in the reports; MSG evaluates the feasibility and impact of the recommendations, and works through them. They are prioritised if they are key to meeting a requirement against the EITI Standard.</p>	
<p><b>In-kind revenues</b> EITI provision 4.2</p>	<p>1. Does the government collect any extractive revenues in-kind, and if so has the MSG considered the materiality of in-kind revenues? Where the MSG has concluded that in-kind revenues do not exist or are not material, what evidence has been consulted?</p>	<p>No, this is made clear in the report under section 3.1.3. Miscellaneous.</p>	

<sup>1</sup> The term ‘EITI Report’ in the context of a disclosure mechanism is used as shorthand for the information and data that should be disclosed in accordance with the EITI Standard. The data can be disclosed in the form of an EITI Report, or constitute publicly available information and data gathered or cross-referenced as part of the EITI process.

\* Such disclosures are encouraged, but not required and will not be considered in assessing compliance.

<b>EITI provisions</b>	<b>Self assessment questions</b>	<b>Response, including reference to evidence, or explanation of rationale</b>	<b>Action points, timeframe and responsible party</b>
	<ol style="list-style-type: none"> <li>2. Where in-kind revenues exist and are considered material, does the EITI Report disclose the volumes sold and the revenues from the government's share of production? Is this information disaggregated by individual buying company?</li> <li>3. *Does the EITI Report include additional disclosures such as the type of product, price, market and sale volume, and/or a reconciliation of volumes sold and revenues received are reconciled ?</li> </ol>		
<b>Infrastructure provisions and barter arrangements</b> EITI provision 4.3	<ol style="list-style-type: none"> <li>1. Has the MSG considered the materiality of infrastructure provisions and barter arrangements? Where the MSG has concluded that infrastructure provisions and barter arrangements do not exist or are not material, what evidence has been consulted?</li> <li>2. Where infrastructure provisions and barter arrangements exist and are considered material, does the EITI Report disclose the revenue flows or value transfers in accordance with provision 4.3 ?</li> </ol>	S.106 payments paid to Local Planning Authorities or "in-kind" infrastructure provisions are included, although not reconciled.	
<b>Transportation revenues</b> EITI provision 4.4	<ol style="list-style-type: none"> <li>1. Has the MSG considered the materiality of transportation revenues? Where the MSG has concluded that transportation revenues do not exist or are not material, what evidence has been consulted?</li> <li>2. *Where transportation revenues exist and are considered material, does the EITI Report disclose:</li> </ol>	The MSG need to make it clear that the Government doesn't own the oil and gas pipelines.	UK Secretariat to work on wording for MSG agreement making it clear that the UK Government does not own the pipelines.

\* Such disclosures are encouraged, but not required and will not be considered in assessing compliance.

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<ul style="list-style-type: none"> <li>- a description of the transportation arrangements?</li> <li>- a definition of transportation payments and tariffs, and methodologies used to calculate them?</li> <li>- tariff rates and volumes of transported commodities?</li> <li>- revenues received by the government (or SOEs) from transportation of commodities?</li> </ul> <p>3. * Where applicable, has the IA reconciled material payments and revenues associated with the transportation of oil, gas and minerals?</p>		
<p><b>Transactions between SOEs and government entities</b> EITI provision 4.5</p>	<ol style="list-style-type: none"> <li>1. Does the SOE make payments to the government and/or collect material revenues on behalf of the state? If yes, has the MSG considered the materiality of any financial transfers between government entities and SOEs operating in the extractive sector?</li> <li>2. Where such financial transactions exist and are material, are they disclosed in the EITI report?</li> <li>3. Where the MSG has concluded that financial transactions between the government and SOEs do not exist or are not material, what evidence has been consulted?</li> </ol>	<p>Not discussed in the report; considered in the subgroups, assessment reported back to the MSG where ultimate decision to include/exclude is made.</p>	

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<b>EITI provisions</b>	<b>Self assessment questions</b>	<b>Response, including reference to evidence, or explanation of rationale</b>	<b>Action points, timeframe and responsible party</b>
<b>Subnational direct payments</b> EITI provision 4.6	<ol style="list-style-type: none"> <li>Has the MSG considered the materiality of direct subnational payments? Where the MSG has concluded that direct subnational payments do not exist or are not material, what evidence has been consulted?</li> <li>Where direct subnational payments exist and are considered material, does the EITI Report disclose and reconcile payments to subnational governments and receipts?</li> </ol>	MSG to make it clear that in Northern Ireland there are no rental fees for petroleum licences.	UK Secretariat to work on wording for MSG agreement making it clear that in Northern Ireland there are no recurrent annual rental fees for petroleum licences, which is why payments to the Department for the Economy are not included as a revenue stream.
<b>Level of disaggregation</b> EITI provision 4.7	<ol style="list-style-type: none"> <li>Is the financial data in the EITI Report disaggregated by individual company, government entity and revenue stream?</li> </ol>	Yes.	
<b>Data timeliness</b> EITI provision 4.8	<ol style="list-style-type: none"> <li>Has the MSG agreed the accounting period covered by the EITI Report?</li> <li>Has the MSG disclosed data that is no older than the second to last complete accounting period?</li> <li>* Has the MSG explored opportunities to disclose data as soon as practically possible, for example through continuous online disclosures or, where available, by publishing additional, more recent contextual EITI data than the accounting period covered by the EITI revenue data?</li> </ol>	Yes – this is based on the calendar year.	
<b>Data quality</b> EITI provision 4.9 and standard TOR for IA	<ol style="list-style-type: none"> <li>Has an assessment of whether the payments and revenues are subject to credible, independent audit, applying international auditing standards been undertaken?</li> </ol>		

\* Such disclosures are encouraged, but not required and will not be considered in assessing compliance.

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<ol style="list-style-type: none"> <li>2. Has the MSG endorsed the appointment of a credible and trustworthy Independent Administrator to reconcile payments and revenues?</li> <li>3. Are the TORs for the EITI Report agreed by the MSG and the Independent Administrator consistent with the <a href="#">standard TORs for EITI reports</a>?</li> <li>4. Have the MSG and the Independent Administrator agreed reporting templates?</li> <li>5. Have the MSG and the Independent Administrator undertaken a review of the audit and assurance procedures in companies and government entities participating in EITI reporting ? Is a summary of the review of the audit and assurance procedures in companies and government entities participating in the EITI reporting process available in the EITI Report, or elsewhere?</li> <li>6. Have the MSG and the Independent Administrator agreed on the assurances to be provided to the Independent Administrator by the participating companies and government entities to assure the credibility of the data? What are the types of assurances to be provided? What options did the MSG consider and what was the rationale for the agreed assurances?</li> <li>7. Have the MSG and the Independent Administrator agreed on appropriate provisions for safeguarding confidential information?</li> </ol>	<p>Assessment of reliability from the Independent Administrator.</p>	

\* Such disclosures are encouraged, but not required and will not be considered in assessing compliance.

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<p>8. Does the EITI report document whether reporting companies and government entities had their financial statements audited in the financial year(s) covered by the EITI report? Does the EITI Report identify any gaps?</p> <p>8. Does the EITI Report describe the methodology adopted for the reconciliation of company payments and government revenues, and demonstrate the application of international professional standard?</p> <p>9. Does the EITI Report include an assessment from the Independent Administrator on the comprehensiveness and reliability of the (financial) data presented, including an informative summary of the work performed by the Independent Administrator and the limitations of the assessment provided ?</p> <p>10. Does the EITI Report include an assessment of whether all companies and government entities within the agreed scope of the EITI reporting process provided the requested information? Are any gaps or weaknesses in reporting to the Independent Administrator disclosed in the EITI Report, including the names of any entities that failed to comply with the agreed procedures, and an assessment of whether this is likely to have had material impact on the comprehensiveness of the report ?</p>		

\* Such disclosures are encouraged, but not required and will not be considered in assessing compliance.



EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<p>11. Does the EITI Report indicate the coverage of the reconciliation exercise, based on the government's disclosure of total revenues as per Requirement 4.1(d) ?</p> <p>12. Does the EITI Report provide sources for the contextual information?</p> <p>13. Where stakeholders other than the Independent Administrator have decide to include additional comments in, or opinions on, the EITI Report, is the authorship clearly indicated in the EITI Report?</p> <p>14. Where previous EITI Reports have recommended corrective actions and reforms, does the Independent Administrator comment on the progress in implementing those measures ?</p> <p>15. k) Does the Independent Administrator make recommendations for strengthening the reporting process in the future, including any recommendations regarding audit practices and reforms needed to bring them in line with international standards, and where appropriate, recommendations for other extractive sector reforms related to strengthening the impact of implementation of the EITI on natural resource governance ?</p>		

\* Such disclosures are encouraged, but not required and will not be considered in assessing compliance.

<b>EITI provisions</b>	<b>Self assessment questions</b>	<b>Response, including reference to evidence, or explanation of rationale</b>	<b>Action points, timeframe and responsible party</b>
	<p>16. Have electronic data files been published together with the EITI Report? Has summary data from the EITI Report been submitted electronically to the International Secretariat according to the standardised reporting format provided by the International Secretariat?</p> <p>17. * Has the country, with Board approval, attempted to mainstream EITI implementation in accordance with the <a href="#">agreed upon procedure for mainstreamed disclosures</a>?</p>		
<b>Timeliness, comprehensiveness and reliability</b>	<p>1. Has the MSG considered the timeliness, comprehensiveness and reliability of the above information?</p>	<p>The latest available information is used for tables/graphs published in the report – this information can be more recent than the government payment streams published.</p>	

\* Such disclosures are encouraged, but not required and will not be considered in assessing compliance.

## Annex E: Validation self assessment exercise – requirement 5 – Revenue allocations

### Instructions:

1. With reference to the provisions in the EITI Standard and the Validation Guide, consider the **self-assessment questions** below.
2. Indicate the **MSG's response** to the self-assessment questions, backed up by references (MSG meeting minutes, EITI Report etc.) and/or explanations.
3. Based on the response, consider the **level of progress** in meeting the requirement. A definition of “satisfactory progress”, “meaningful progress”, “insufficient progress” and “no progress” is available in requirement 8.3.a of the [2016 EITI Standard](#).
4. Outline any **follow-up activities** or **remedial actions** ahead of validations, **timeframes** for completing these and indicate who is **responsible**.

### Requirement 5 - Revenue allocations

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
<b>Distribution of revenues</b> EITI provision 5.1	<ol style="list-style-type: none"> <li>1. Does the EITI report<sup>1</sup> indicate which extractive industry revenues are recorded in the national budget? Where revenues are not recorded in the budget, does the EITI Report explain the allocation of these revenues?</li> <li>2. * Does the EITI Report reference any national revenue classification systems or international data standards?</li> </ol>	The vast majority of revenues go into the Consolidated Fund. Others like the Oil and Gas Authority (OGA) levy, S.106 and the Crown Estate payments are explained within the report.	

<sup>1</sup> The term ‘EITI Report’ in the context of a disclosure mechanism is used as shorthand for the information and data that should be disclosed in accordance with the EITI Standard. The data can be disclosed in the form of an EITI Report, or constitute publicly available information and data gathered or cross-referenced as part of the EITI process.

\* Such disclosures are encouraged, but not required and will not be considered in assessing compliance.

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
<b>Sub-national transfers</b> EITI provision 5.2	<ol style="list-style-type: none"> <li>1. Do constitutional, statutory and other mandatory revenue sharing requirements related to extractive industry revenue exist? Has the MSG considered the materiality of mandatory subnational transfers? Where the MSG has concluded that mandatory subnational transfers do not exist or are not material, what evidence has been consulted?</li> <li>2. Where mandatory subnational transfers exist and are material, does the EITI Report disclose: <ul style="list-style-type: none"> <li>- the revenue sharing formula?</li> <li>- the transfer amount calculated in accordance with the relevant revenue sharing formula?</li> <li>- the actual amount that was transferred?</li> </ul> </li> <li>3. * Does the EITI Report reconcile the mandatory transfers between subnational government entities and central government entities?</li> <li>4. * Do ad-hoc subnational transfers related to extractive industry revenue exist? Does the EITI Report disclose or reconcile these transactions?</li> </ol>	Payments to Northern Ireland as they have no devolved licensing regime. The Northern Ireland DfE issues separate onshore licences independent of the OGA. The only central government extractive revenues currently earmarked for specific UK programmes or geographic regions involve the allocation of a population-based share of income from seaward petroleum licences to the Northern Ireland Government.	UK Secretariat need to write to the Crown Estate Scotland to ensure they are engaged in the 2017 process and are aware of their EITI responsibilities now they are devolved.
<b>Revenue management and expenditures</b> EITI provision 5.3	<ol style="list-style-type: none"> <li>1. *Does the EITI Report include a description of any extractive revenues earmarked for specific programmes or geographic regions, including a description of the methods for ensuring efficiency and accountability in their use?</li> <li>2. * Does the EITI Report include a description of the country's budget and audit processes and links to publicly available information about budgeting and expenditure?</li> </ol>	The OGA levy, which is included and shale revenues when they start to materialise.	

<b>EITI provisions</b>	<b>Self assessment questions</b>	<b>Response, including reference to evidence, or explanation of rationale</b>	<b>Action points, timeframe and responsible party</b>
	3. * Does the EITI Report disclose any further information related to the budget cycle, production and commodity price assumptions and revenue sustainability, resource dependence, and revenue forecasting?		
<b>Timeliness, comprehensiveness and reliability</b>	1. Has the MSG considered the timeliness, comprehensiveness and reliability of the above information related to revenue management?	The latest available information is used for tables/graphs published in the report – this information can be more recent than the government payment streams published.	

## Annex F: Validation self assessment exercise – requirement 6 – Social and economic spending

### Instructions:

1. With reference to the provisions in the EITI Standard and the Validation Guide, consider the **self-assessment questions** below.
2. Indicate the **MSG's response** to the self-assessment questions, backed up by references (MSG meeting minutes, EITI Report etc.) and/or explanations.
3. Based on the response, consider the **level of progress** in meeting the requirement. A definition of “satisfactory progress”, “meaningful progress”, “insufficient progress” and “no progress” is available in requirement 8.3.a of the [2016 EITI Standard](#).
4. Outline any **follow-up activities** or **remedial actions** ahead of validations, **timeframes** for completing these and indicate who is **responsible**.

### Requirement 6: Social and economic spending

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
<b>Social expenditures</b> EITI provision 6.1	<ol style="list-style-type: none"> <li>1. Do laws or contracts mandate companies to make social expenditures? If yes, has the MSG considered the materiality of mandatory social expenditures? Where the MSG has concluded that mandatory social expenditures do not exist or are not material, what evidence has been consulted?</li> <li>2. Where mandated social expenditures exist and are material, does the EITI report disclose and where possible reconcile these transactions?</li> <li>3. Where mandated material social expenditures are provided in-kind, does the EITI Report<sup>1</sup> disclose the nature and the deemed value of the transaction?</li> </ol>	Currently not an issue, but may be in the future with shale. No mandatory social expenditure payments, except small S106 payments for planning, which are captured but not reconciled. The MSG wanted this documented for the purposes of the validation process. A new Potash mine development in North Yorkshire may lead to further S106 payments.	

<sup>1</sup> The term ‘EITI Report’ in the context of a disclosure mechanism is used as shorthand for the information and data that should be disclosed in accordance with the EITI Standard. The data can be disclosed in the form of an EITI Report, or constitute publicly available information and data gathered or cross-referenced as part of the EITI process.

\* Such disclosures are encouraged, but not required and will not be considered in assessing compliance.

EITI provisions	Self assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<p>4. Where the beneficiary of mandated social expenditures is a third party, e.g. not a government agency, does the EITI Report disclose the name and function of the beneficiary?</p> <p>5. * Do discretionary social expenditures exist? Does the EITI Report disclose these transactions?</p>		
<p><b>SOE quasi fiscal expenditures</b> EITI provision 6.2</p>	<p>1. Does state-participation in the extractive sector give rise to material revenues? If so, has the MSG considered whether any quasi-fiscal expenditures are provided by SOEs or SOE subsidiaries? Where the MSG has concluded that quasi-fiscal expenditures exist do not exist or are not material, what evidence has been consulted?</p> <p>2. Where quasi-fiscal expenditures exist and are material, has the MSG developed a reporting process for disclosure of quasi-fiscal expenditures in the EITI Report? Have the expenditures been disclosed accordingly ?</p>	<p>This is addressed in the latest report.</p>	
<p><b>Contribution of the extractive sector to the economy</b> EITI provision 6.3</p>	<p>1. Does the EITI Report disclose information about the contribution of the extractive industries to the economy for the fiscal year covered by the EITI report, including:</p> <ul style="list-style-type: none"> <li>- size of the extractive industries in absolute terms and as a percentage of GDP, including an estimate of the informal sector activity?</li> <li>- total government revenues generated by the extractive industry in absolute terms and as a percentage of total government revenues?</li> </ul>	<p>Yes - there is an abundance of information within the report about the contribution of the extractive industries to the economy. The MSG have identified shortcomings within the data that it is unlikely they will be able to address. Some information is missing because of change in policy whereby the Government are no longer collecting the data.</p>	

<b>EITI provisions</b>	<b>Self assessment questions</b>	<b>Response, including reference to evidence, or explanation of rationale</b>	<b>Action points, timeframe and responsible party</b>
	<ul style="list-style-type: none"> <li>- exports from the extractive industries in absolute terms and as a percentage of total exports?</li> <li>- employment in the extractive industries in absolute terms and as a percentage of the total employment?</li> <li>- key regions/areas where production is concentrated?</li> </ul>		
<b>Timeliness, comprehensiveness and reliability</b>	1. Has the MSG considered the timeliness, comprehensiveness and reliability of the above information?	The MSG are striving to make the information as reliable as they can, and have also accelerated the process for 2017 by four months.	



## Annex G: Validation self assessment exercise – requirement 7 – Outcomes and impact

### Instructions:

1. With reference to the provisions in the EITI Standard and the Validation Guide, consider the **self-assessment questions** below.
2. Indicate the **MSG’s response** to the self-assessment questions, backed up by references (MSG meeting minutes, EITI Report etc.) and/or explanations.
3. Based on the response, consider the **level of progress** in meeting the requirement. A definition of “satisfactory progress”, “meaningful progress”, “insufficient progress” and “no progress” is available in requirement 8.3.a of the [2016 EITI Standard](#).
4. Outline any **follow-up activities** or **remedial actions** ahead of validations, **timeframes** for completing these and indicate who is **responsible**.

### Requirement 7: Outcomes and impact

EITI provisions	Self-assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
<p><b>Public debate</b> EITI provision 7.1</p>	<ol style="list-style-type: none"> <li>1. Has EITI implementation, including EITI Reports, been actively promoted and contributed to public debate?</li> <li>2. Is the EITI Report<sup>1</sup> comprehensible and publicly accessible, including available online, in hard copies, and in appropriate languages?</li> <li>3. Has the MSG agreed a clear policy on the access, release and re-use of EITI data ?</li> <li>4. Has the MSG made the EITI Reports available in open data format?</li> <li>5. Have outreach events been undertaken to spread awareness of the EITI Report?</li> </ol>	<p>7.1.1 The 2<sup>nd</sup> UK EITI report was formally launched in Aberdeen by the BEIS and Scottish Ministers in March 2017. Look into the possibility of more outreach events – webinar, seminars, etc.</p> <p>The report also contains many useful links to further information on the sectors, and is a useful information bank and core source of information to those who want to find out more about the industries. The interest is limited to the companies involved and is backward looking. Does the report stimulate political debate?</p>	<p>UK Secretariat and MSG to consider holding more outreach events on EITI and also make the data more timely.</p>

<sup>1</sup> The term ‘EITI Report’ in the context of a disclosure mechanism is used as shorthand for the information and data that should be disclosed in accordance with the EITI Standard. The data can be disclosed in the form of an EITI Report, or constitute publicly available information and data gathered or cross-referenced as part of the EITI process.

\* Such disclosures are encouraged, but not required and will not be considered in assessing compliance.

EITI provisions	Self-assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
		<p>Could consideration be given to reporting by fiscal year rather than calendar year?</p> <p>7.1.2. Are hard copies of the report necessary? Is publication in another language necessary? The report is published on the UK EITI website and in English only. The report is also available in an accessible format for the visually impaired on the UK EITI website.</p> <p>7.1.3. The MSG open data statement is available on the UK EITI website <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/584959/UK_EITI_Open_Data_policy_paper.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/584959/UK EITI Open Data policy paper.pdf</a></p> <p>7.1.4. Does the report include all of the data that could be used and published? The payments data is currently published in open data format. Sectoral data will also be made available in this format in the future.</p> <p>7.1.5. There have been launch events for the first two reports in London and Aberdeen. A presentation on EITI by the UK Secretariat took place at Durham University, with a follow-up visit to get views on the first report. There were also similar presentations by the UK Secretariat at Dundee and Aberdeen Universities.</p>	

EITI provisions	Self-assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
<b>Data accessibility</b> EITI provision 7.2	<ol style="list-style-type: none"> <li>1. *Has the MSG made any efforts to make EITI Reports machine readable, and to code or tag EITI Reports and data files so as to enable EITI data to be compared with other publicly available data ?</li> <li>2. *Has the MSG produced a brief summary report? Has the MSG considered automated online disclosure of revenues and payments on a regular basis?</li> </ol>	<p>7.2.1. Although good progress has been made on accessibility it was agreed that more can be done in the future, particularly the idea of a summary report. The payments data is made available separately on the UK EITI website  <a href="https://www.gov.uk/government/publications/extractive-industries-transparency-initiative-payments-report-2016">https://www.gov.uk/government/publications/extractive-industries-transparency-initiative-payments-report-2016</a></p> <p>7.2.2. Not yet, but to be considered for the future.</p>	UK Secretariat and MSG to look at providing further underlying data on the website.
<b>Lessons learned and follow up on recommendations</b> EITI provision 7.3	<ol style="list-style-type: none"> <li>1. Have the government and MSG taken steps to act upon lessons learned, identify, investigate and address the causes of any discrepancies in EITI reporting, and respond to the recommendations made by the Independent Administrator?</li> </ol>	The MSG consider all recommendations from the Independent Administrator (IA). These are tracked and addressed by the full MSG or by sub-group. All actions from meetings are also tracked and followed up. The templates and guidance have been updated to make them more user-friendly for companies.	
<b>Outcomes and impact of EITI implementation on natural resource governance</b> EITI provision 7.4.	<ol style="list-style-type: none"> <li>1. What efforts has the MSG undertaken to review the outcomes and impact of EITI implementation on natural resource governance?</li> <li>2. Has the MSG produced annual progress reports and do they include:</li> </ol>	No substantial work carried out on this as yet. An Annual Progress Report is published each year on the website and captures the main activities for the calendar year as well as reporting on progress on IA recommendations.	UK Secretariat and MSG to give thought to impact opportunities - what is the role of EITI in the wider industry strategy/regulation?

EITI provisions	Self-assessment questions	Response, including reference to evidence, or explanation of rationale	Action points, timeframe and responsible party
	<ul style="list-style-type: none"> <li>- a summary of the EITI activities undertaken by the MSG?</li> <li>- an assessment of progress with meeting and maintaining compliance with the EITI Requirements, including any steps to exceed the requirements?</li> <li>- * an evaluation of implementation of the beneficial ownership roadmap?</li> <li>- an overview of the MSG's responses to and progress made in addressing recommendations from reconciliation and validation? Where the multi-stakeholder group has decided not to implement a recommendation, does the annual progress report explain why?</li> <li>- an assessment of progress with achieving the objectives set out in the workplan?</li> <li>- a narrative account of efforts to strengthen EITI implementation?</li> </ul> <p>3. What opportunities have been given to stakeholders to provide feedback on the EITI process and the impact of the EITI, and have their view reflected in the annual progress report?</p>		