

# Validation of Burkina Faso (2023)

## Assessment of progress in implementing the EITI Standard

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## Acronyms

ANEEMAS	National Agency for the Supervision of Artisanal and Semi-Mechanized Mining
ANEVE	National Agency for Environmental Assessments
APR	Annual Progress Report
ASCE-LC	High Authority for State Control and the Fight against Corruption
BCEAO	Central Bank of West African States
EITI-BF	Burkina Faso EITI
BUMIGEB	Bureau of Mines and Geology of Burkina Faso
BUNEE	National Bureau of Environmental Assessments
CMB	Chamber of Mines of Burkina Faso
CNT	National Transition Council
CSO	Civil Society Organisation
CSPS	Health and Social Promotion Centre
DANIDA	Danish International Development Agency
DGCM	General Directorate for the Mining Cadastre
DGC	General Directorate for Quarrying
DGD	General Customs Directorate
DGESS	General Directorate for Studies and Sector Statistics
DGI	General Tax Directorate
DGMG	General Directorate for Mines and Geology
DGPE	General Directorate of Environmental Protection
DGTCP	General Treasury and Public Accounting Directorate
DRDHPC	Regional Directorate of Human Rights and Civic Promotion
ECOWAS	Economic Community of West African States
EITI	Extractive Industries Transparency Initiative
EITI-BF	Extractive Industries Transparency Initiative Burkina Faso
FATF	Financial Action Task Force
FDML	Local development fund ( <i>Fond de développement local</i> )
GIABA	Intergovernmental Action Group against Money Laundering in West Africa
IA	Independent Administrator
MSG	Multi-Stakeholder Group
ORCADE	Organisation for Capacity Building in Development
OXFAM	Oxford Committee for Famine Relief
PADSEM	Mining Sector Development Support Program
PARGFM	Land and Mining Management Strengthening Support Project
PASIE	Extractive Industries Monitoring Improvement Project
PGES	Environmental and Social Management Plan
RAJ	Africa Youth Network
RSF	Reporters without Borders (Reporters sans Frontières)
SAI	Supreme Audit Institution ( <i>Cour des Comptes</i> )
SEPB	Burkina Phosphate Exploitation Company
SP-ITIE	Permanent Secretariat of EITI Burkina Faso
TIN	Tax Identification Number
USD	United States Dollar
XOF	CFA Franc rate

## Executive summary

This Validation was conducted under exceptional circumstances as Burkina Faso has experienced two coup d'états in quick successions in 2022.

This Validation report presents the findings of the International Secretariat's Validation of Burkina Faso, which commenced on 1 January. The draft report was finalised for review by the multi-stakeholder group (MSG) on 7 June 2023. Following comments from the MSG received on 21 July 2023, the Validation report was finalised for consideration by the EITI Board. The assessment suggests that Burkina Faso has fully met 15 EITI Requirements, mostly met 12 and partly met one requirement, with four requirements assessed as not applicable.

This report covers the period 1 January 2020 to 15 April 2023. For the transparency requirements, the 2020 EITI Report and systematically disclosed information are the basis for analysis, as highlighted in the transparency templates. Since the previous Validation the political and security context has significantly deteriorated. This Validation report includes two annexes, including Annex A: Assessment of Requirement 1.3 on civil society engagement and Annex B: Political context to provide additional background.

### Key achievements

- Overall, the EITI continues to operate in a challenging security environment. Despite the pandemic since 2020, two military coup d'états in 2022 and a deteriorating security and humanitarian situation, EITI implementation has continued throughout the period since the previous Validation in January 2020. The MSG continued to meet regularly (six times a year) and has faced no delays in EITI reporting. Engagement from all stakeholders on the MSG remains strong. Stakeholders have also noted the EITI's significant convening power, which has enabled some follow-up on recommendations and corrective actions. Burkina Faso's EITI remains a trusted source of information.
- As noted in previous Validations, civil society has used the EITI to campaign for the establishment of local mining development funds (*Fonds minier de développement local* (FMDL)), to ensure that mining revenues are directly channelled to mining communities. This was achieved with the changes to the Mining Code in 2015. Civil society continues to use the EITI to monitor and trace the collection and disbursement of those funds, identifying royalties and sales profits that had not been collected from companies in 2020.<sup>1</sup> The government's earmarking of half of FMDL funds for national security purposes and subsequent legal reforms to codify this reallocation of mining funds from local development to national security is a concerning recent development that has not yet been recorded in the national budget, even if the MSG's comments on the draft Validation report have argued forcefully that such reforms to the FMDL were undertaken in a manner consultative of industry and civil society constituencies and is a sovereign right of the state.
- Burkina Faso's Supreme Audit Institution (SAI), the *Cour des Comptes*, continues to verify the government reporting templates for 2020. Their review gives rise to findings, recommendations and an opinion on the comprehensiveness and reliability of EITI Reports' financial data.<sup>2</sup> The SAI has also conducted a thorough performance audit of the allocation of gold exploration licences, highlighting weaknesses in the current licensing system. A further audit on the government's environmental monitoring of mining site closures published in 2021 identified weaknesses in the government's oversight of the mining sector. The EITI presents an excellent forum to follow up on the findings of the SAI's reports identifying risks and performance concerns.

<sup>1</sup> Burkina Faso 2020 EITI Report, pp. 110

<sup>2</sup> The Report 2020 summarises the findings for the 2018 and 2019 reporting years: <https://www.cour-comptes.gov.bf/rapports-publics>, see pp. 170. The 2021 SAI report has been delayed given the political changes, but the assessment of reporting templates was undertaken and the opinion on comprehensiveness and reliability are reflected in the 2020 EITI Report).

- EITI implementation was a major driver in the publication of extractive contracts. Likewise, the EITI was involved in facilitating cross-governmental engagement on beneficial ownership. The EITI has disclosed figures and analysis of the impact of mining activities on gender, as well as recommendations on how to improve the situation and participation of women.

## Areas for development

- The trend towards growing restrictions on freedom of expression and operation of civil society is of concern. The withdrawal of broadcasting licences by the current government, as well as threats against journalists and a context of general conscription, imply that there is no enabling environment for critical public debate by the broader civil society constituency on issues related to the EITI process, including recent government reforms to earmark a share of subnational mining revenue transfers and requisitioned gold from mining companies for national security purposes, in particular on the part of CSOs in more remote regions. While the MSG's comments on the draft Validation report referenced many broadcast and print media coverage of public debate of these recent reforms, there is limited evidence since second coup d'état in September 2022 of media coverage critical of the government's management of the extractive industries and these recent reforms. While there has been media coverage of some issues such as allegations of mineral rights being awarded to armed groups, press articles have focused on relaying the government's public position on these issues, rather than questioning or expressing criticisms about the government's new policies. While the online media continues to cover extractive industries issues, there is a need for the MSG to establish mechanisms to support a fully enabling civic space environment for the EITI process and for considering and addressing any concerns or allegations from CSOs on limitations to their freedom of expression and operation in relation to public debate on extractive industry governance.
- Despite strong progress in strengthening the management of extractive licences<sup>3</sup> thanks to the government's digital mining cadastre, EITI-BF is encouraged to provide a forum for debate on the efficiency of licensing practices in the mining sector. It can build on the SAI's identification of weaknesses in licence allocation, as well as on the EITI's findings on deviations from the legal framework. Aside from the high number of licence applications<sup>4</sup>, some stakeholders consulted have highlighted governance, revenue leakage, potential corruption and performance risks associated with the current licensing system, which was also reflected in the SAI's performance audit. Robust management and monitoring of licence allocations is particularly important in an environment where concerns over alleged license awards to armed groups have been the subject of public debate. There is also potential for using the EITI to strengthen domestic resource mobilisation by investigating why the amounts due to the government were not paid. This would allow the government to mobilise more resources, communities to receive what they are due (through the FMDL) and companies to explain the reasons for unpaid revenues. It may also present an opportunity for the SAI to audit the performance of revenue collection and compliance with the terms of mining contracts.
- Published estimates of the importance of the informal sector in Burkina Faso vary significantly. It is widely recognised that the formalisation of the artisanal and semi-mechanised mining sector contributes to better livelihoods, environmental protection and the government's revenue generation. The creation of the National Agency for the Supervision of Artisanal and Semi-Mechanised Mining (ANEEMAS) in 2015 is a direct effort to encourage formalisation of the sector. However, EITI reporting has not yet included more recent figures and estimates of the informal sector<sup>5</sup>, although an EITI-BF study on artisanal mining and illicit financial flows has been ongoing since 2022. Given the significant revenue leakages related to such illicit financial flows, in particular through the illegal or under-reported exports of gold, and the possible linkages between

<sup>3</sup> The online register is available here: <https://www.cadastreminier.bf/>

<sup>4</sup> As of 17 February there were 517 pending applications, see <https://www.cadastreminier.bf/emc> Of the 683 valid licences, 317 (or 46%) have passed their expiration date (as of 14 March 2023).

<sup>5</sup> In four years in a row, the estimation of the informal sector has been repeated in EITI Reports.

these informal activities and the financing terrorism, the MSG is encouraged to reinforce its efforts in addressing the reasons for revenue leakages, and to monitor progress over time.<sup>6</sup> The report issued by ORCADE (*Organisation for Capacity Building in Development*) in March 2022 includes recommendations that could be considered in the EITI's work plan and in strategic considerations.

## Progress in implementation

EITI Validation assesses countries against three components – “Stakeholder engagement”, “Transparency” and “Outcomes and impact”.

### *Stakeholder engagement*

Burkina Faso has succeeded in sustaining some multi-stakeholder oversight of the EITI process in a period that was marked by many challenges including the impact of the COVID-19 pandemic, serious security and humanitarian challenges and two military coup d'états. The MSG continued to meet regularly, and sustained publication of EITI Reports throughout the period. However, the political trend towards greater militarisation and wide-ranging government reforms in extractive industries governance related to national security priorities has raised doubts over the MSG's effective oversight of more recent developments in the mining sector. Recent requisitions of gold from certain mining companies purchased at market prices and the earmarking of a share of the mining revenues in the local mining development fund (FMDL) to finance national security spending are examples of significant reforms in 2023. The MSG's comments on the draft Validation report highlight the government's consultation with industry and civil society in these reforms and refer to media coverage of public debate on these reforms, even if the Secretariat finds little evidence of critical questions or debates on these reforms on the part of civil society in particular. Following the second coup d'état, the government introduced general conscription in 2023, and armed groups have been incorporated into the country's armed forces. The MSG continued to meet regularly, and reporting did not suffer from those broader factors. While most stakeholders consulted did not consider that the two coup d'états in 2022 had had an impact on civil society's freedoms of expression and of operation on issues related to extractive industries governance, this assessment has identified ways in which the broader restrictions on civil space are having an impact on civil society's freedom of expression in relation to the EITI process and extractive industry governance. Nonetheless, civil society and industry have remained engaged in MSG meetings and EITI activities. As the MSG approaches its renewal of membership in mid-2023, there is a need for the industry and civil society constituencies to formalise their MSG nominations and coordination systems.

### *Transparency*

Burkina Faso's EITI implementation has established itself as a central repository for information on laws and decrees, key data and contextual information on the extractive industries. Disclosures on industrial mining are comprehensive, disaggregation of industrial mining production and export volumes and values are available down to the project level. There are opportunities for Burkina Faso to make more use of project level EITI data to support public policy making on strengthening domestic resource mobilisation. Revenues paid by mining contractors are disclosed, an important contribution to inform local content policies. Important advances have been made on contract and licence disclosures. Yet there remains a need for a comprehensive review of all active extractive licenses and contracts to ensure publication of all mining rights awarded and amended since the start of 2021 and to further improve the accessibility of published documents. Nonetheless, the digital mining cadastre has improved accessibility of data on mining rights, even if the Supreme Audit Institution's audit of mining license management has raised concerns over certain weaknesses in the cadastre. Beneficial ownership legislation is in place, but very little data has been publicly disclosed to date. There is a clear gap in Burkina Faso's coverage of informal (artisanal and semi-mechanised) mining activities. The most recent estimate dates from 2018 and estimates on production and export are lacking, although the MSG has been conducting a study on artisanal mining and illicit financial flows since 2022 that is still ongoing. There is significant scope in strengthening Burkina Faso EITI's role to improve the understanding for outstanding mining revenue

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<sup>6</sup> See this article, in French, stating an estimate of USD 620 million (XOF 373.810.105.828 billion) on <https://www.leconomistedufaso.com/2022/03/01/deperdition-financiere-letat-perd-beaucoup-dargent/>

payments, to follow-up on the recommendations issued by the SAI and to seek multi-stakeholder views on how to strengthen license allocations. The Ministry of Mines and Energy's recently published statistical bulletin is a welcome development in making more timely data on mining projects, production and revenues available to the public.

#### *Outcomes and impact*

Burkina Faso has a fully costed triannual work plan, which is the result of consultation with constituencies and has enjoyed feedback from stakeholders outside of the MSG. It is largely aligned with national objectives, even if activities related to improving transparency on artisanal mining could be further strengthened given this sector's importance to the country's extractive industries. EITI implementation would benefit from reviewing its objectives regularly in light of pertinent recommendations and studies that were issued in the meantime, to further strengthen the EITI's role as a monitoring tool for addressing governance risks and to contribute to reform. EITI Reports have been translated into local languages, and key data sets have been made available in excel format on the open data portal, to encourage data analysis, however the publication of the data sets would benefit of being more consistent over time to reflect the latest data available. There is evidence that data from EITI Reports are being used by journalists, companies and within government. The follow-up mechanisms on recommendations from reporting and Validation are functioning well according to stakeholders, but follow-up has slowed in 2022 given the changes in government. As noted above, broadening work beyond the strictly EITI-related recommendations to recommendations for wider sector reforms would further strengthen the relevance and impact of the EITI. Burkina Faso is one of the few countries so far having investigated the gender dimensions of mining activities and revenue allocations and has actively communicated these to mining communities. While the deterioration in the security situation has led to constraints on in-person outreach and dissemination in extractive-rich regions, the MSG has undertaken efforts to resume its innovative use of television and radio broadcasts to overcome practical constraints on EITI communications.

## Validation scorecard

Component & module	EITI Requirement	Progress	Score	
<b>Outcomes and impact</b>		<b>High</b>	<b>85/100</b>	
Extra points	Effectiveness and sustainability indicators		1	
Outcomes and impact	Work plan (#1.5)	Fully met	90	=
	Public debate (#7.1)	Fully met	90	=
	Data accessibility and open data (#7.2)	Fully met	90	-
	Recommendations from EITI (#7.3)	Mostly met	60	↓
	Outcomes & impact (#7.4)	Fully met	90	=
<b>Stakeholder engagement</b>		<b>Fairly low</b>	<b>67.5/100</b>	
Multi-stakeholder oversight	Government engagement (#1.1)	Mostly met	60	↓
	Industry engagement (#1.2)	Fully met	90	=
	Civil society engagement (#1.3)	Mostly met	60	↓
	MSG governance (#1.4)	Mostly met	60	=
<b>Transparency</b>		<b>Moderate</b>	<b>74/100</b>	
Overview of the extractive industries	Exploration data (#3.1)	Fully met	90	=
	Economic contribution (#6.3)	Fully met	90	=
Legal and fiscal framework	Legal framework (#2.1)	Fully met	90	=
	Contracts (#2.4)	Mostly met	60	-
	Environmental impact (#6.4)	Not assessed	-	-
Licenses	Contract and license allocations (#2.2)	Mostly met	60	↓
	License register (#2.3)	Fully met	90	=
Ownership	Beneficial ownership (#2.5)	Partly met	30	-
State participation	State participation (#2.6)	Mostly met	60	↓
	In-kind revenues (#4.2)	Not applicable	-	-
	SOE transactions (#4.5)	Fully met	90	=
	SOE quasi-fiscal expenditures (#6.2)	Not applicable	-	-
Production and exports	Production data (#3.2)	Mostly met	60	↓
	Export data (#3.3)	Mostly met	60	↓
Revenue collection	Comprehensiveness (#4.1)	Fully met	90	=
	Barter agreements (#4.3)	Mostly met	60	-
	Transportation revenues (#4.4)	Not applicable	-	-
	Disaggregation (#4.7)	Fully met	90	=
	Data timeliness (#4.8)	Fully met	90	=
	Data quality (#4.9)	Fully met	90	=
Revenue management	Distribution of revenues (#5.1)	Mostly met	60	↓
	Revenue management & expenditures (#5.3)	Not assessed	-	-
Subnational contributions	Direct subnational payments (#4.6)	Not applicable	-	-
	Subnational transfers (#5.2)	Fully met	90	=
	Social and environmental expenditures (#6.1)	Mostly met	60	↓
<b>Overall score</b>		<b>Moderate</b>	<b>75.5/100</b>	



## How EITI Validation scores work

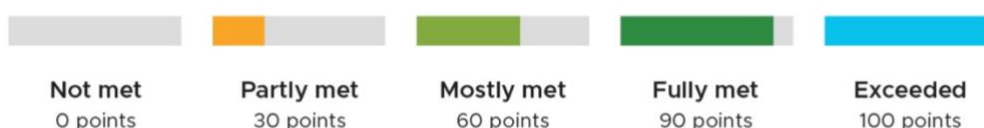
### Component and overall score

The three components of EITI Validation – “Transparency”, “Stakeholder engagement” and “Outcomes and impact” – each receive a score out of 100. The overall score represents an average of the component scores.



### Assessment of EITI Requirements

Validation assesses the extent to which each EITI Requirement is met, using five categories. The component score is an average of the points awarded for each requirement that falls within the component.



- **Exceeded** (100 points): All aspects of the requirement, including “expected”, “encouraged” and “recommended” aspects, have been implemented and the broader objective of the requirement has been fulfilled through systematic disclosures in government and company systems.
- **Fully met** (90 points): The broader objective of the requirement has been fulfilled, and all required aspects of the requirement have been addressed.
- **Mostly met** (60 points): Significant aspects of the requirement have been implemented, and the broader objective of the requirement is mostly fulfilled.
- **Partly met** (30 points): Significant aspects of the requirement have not been implemented, and the broader objective of the requirement is not fulfilled.
- **Not met** (0 points): All or nearly all aspects of the requirement remain outstanding, and the broader objective of the requirement is far from fulfilled.
- **Not assessed**: Disclosures are encouraged, but not required and thus not considered in the score.
- **Not applicable**: The MSG has demonstrated that the requirement doesn’t apply.

Where the evidence does not clearly suggest a certain assessment, stakeholder views on the issue diverge, or the multi-stakeholder group disagrees with the Secretariat’s assessment, the situation is described in the assessment.

## 1. Effectiveness and sustainability indicators

The country is awarded 0, 0.5 or 1 point for each of the five indicators. The points are added to the component score on Outcomes and impact.

### 1.1 National relevance of EITI implementation

This indicator considers the extent to which EITI implementation in Burkina Faso addresses nationally relevant extractive sector challenges and risks.

Burkina Faso EITI implementation addresses most of the relevant extractive sector challenges. EITI implementation has contributed to digitising the register of mining licences, have conducted evaluations, included statistics and documented observations on the participation of women in the sector, as well as impacts of extractive industries on women. EITI implementation points to potential revenue leakages in comparing invoiced and paid royalties. EITI has been instrumental in informing the legal base for transparency of beneficial owners of mining companies, despite its limited results in terms of actual disclosure. Burkina Faso EITI's activities on monitoring and tracing revenues into the Local Mining Development Fund (FMDL) has led to increase the efficiency of the subnational transfers towards local municipalities and region. However, despite the inclusion of the Artisanal Mining Agency ANEEMAS to the EITI process, there are opportunities to extend implementation to cover artisanal mining more comprehensively, both in terms of representation and reporting, given its importance to economic activity and revenue loss through gold smuggling, estimates of the sector, social and environmental impacts as well as progress on the recent formalisation efforts. There are opportunities for Burkina Faso EITI to draw on extensive disclosures of environmental monitoring to include more broadly this topic in its scope, given the high public demand for information and improvements. Finally, EITI -BF should capture and follow-up on the recommendations from past performance audits from the SAI to ensure its relevance for improving governance.

Meeting minutes reflect that the MSG discusses issues of natural resource governance alongside more operational matters. Gender, youth engagement and inclusivity are recurring topics of discussions.

The Secretariat proposes that 0.5 additional points be added to the score on Outcomes and impact for this indicator.

### 1.2 Systematic disclosures of extractive industry data

This indicator considers the extent to which extractive sector data in Burkina Faso is disclosed systematically through routine government and corporate reporting.

Burkina Faso systematically discloses information in its mining cadastre (with its [EmC+ portal](#)). Some laws are publicly available on the [website](#) of the Ministry of Mines, Energy and Quarrying, although in a less comprehensive manner than in the EITI Report. [Production and exports](#) are systematically disclosed through the publication of an annual report by the same Ministry but lack the granularity of the disclosures of the EITI Report. While these are important efforts towards routine disclosures at source, Validation found that government stakeholders rely heavily on EITI-BF's [open data portal](#) and the national EITI website as channel to disclose data related to the extractive sector in a more timely manner than through EITI reporting. Burkina Faso EITI has collaborated with the ministries and departments to develop this open database, which contains documentation on most of the aspect of the EITI Standard, although the comprehensiveness of the datasets could be improved. One example is the disclosure of Social and Environmental impact studies<sup>7</sup> and environmental monitoring reports<sup>8</sup> from the agency in charge of

<sup>7</sup> <http://portail.itie.gov.bf/dataset/rapports-detudes-dimpact-environnemental-et-social%C2%A0eies>

<sup>8</sup> <http://portail.itie.gov.bf/dataset/rapport-de-suivi-des-plans-de-gestion-environnementale-et-sociale-pges>

environmental impact (ANEVE), which are available on the EITI website. Contracts are for now only disclosed through the EITI website.<sup>9</sup>

In general, the comprehensiveness of systematic disclosures from government agencies and companies could be improved. Currently EITI reporting, through the annual EITI Report and the EITI website, remains the main source of accessible and comprehensive data on the mining sector. Burkina Faso EITI's workplan does not dedicate specific activities to systematic disclosures, but contracts and beneficial ownership disclosures have been mentioned by stakeholders as a key improvement in the near future, with the possibility to link each contract to the corresponding permit on the online cadastre. The recent effort of publishing an information bulleting on main projects, production volumes and values by the government is a welcome development. Stakeholders have not mentioned any other reforms underway in the areas covered by the EITI Standard. Disclosure of the information required by the EITI Standard on the websites of SOEs and private actors generally remains limited, with no audited financial statements being available on the website of the companies. Burkina Faso EITI remains the central means of disclosing information on the extractive industries and related government revenues.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

### 1.3 Environment for citizen participation in extractive industry governance

This indicator considers the extent to which there is an enabling environment for citizen participation in extractive sector governance, including participation by affected communities.

During the period under review, EITI's action contributed to providing citizens a forum for discussion: outreach and consultation efforts were made in the context of EITI Report dissemination to local communities affected by extractive industries, and other stakeholders in the capital city and in the regions. The multiple meetings, workshops and debates are organised jointly by the EITI and civil society organisations. They covered topics like the local mining development fund, civil society participation in the EITI process, report dissemination, among others. In an environment generally constrained for civil society, stakeholders unanimously recognised that the EITI continues to provide a space for public debate and citizen participation to the extractive sector governance. This has been reflected in the assessment of Requirement 7.1. There is no evidence of an expansion of the environment for citizen participation in the period under review. In its comments on the draft Validation report, the MSG noted that the committees for supervising the collection and use of local development funds (FDML), which have been operating since 2019, should be considered under this indicator, as they provide a forum for co-decision making in the oversight of the collection and use of the funds. The International Secretariat recognises these committees as an important addition to facilitate better citizen participation in the oversight of subnational transfers of mining revenues, even if the plans announced in early 2023 to use some of the FDML funds for defence purposes are not in line with the original intention of the fund. Nonetheless, the MSG comments emphasise civil society's involvement in the planned reforms in the earmarking of FMDL funds. The International Secretariat also recognises the MSG's reflection and discussions in preparing the memorandum on freedom of expression and press published in June 2023. Yet the Secretariat considers that the issues related to civic space highlighted under Requirement 1.3, as well as remaining scope for improvement in the MSG's review of policies and practices related to citizen participation in decision-making about how extractive resources are governed, of the EITI process having an effect on communities in extractive regions or of the EITI contributing to changes in civic space related to extractive governance, imply that there remains scope for strengthening mechanisms for citizen participation in extractive industries governance.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

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<sup>9</sup> <https://itie-bf.bf/permis-de-recherche/>

## 1.4 Accessibility and use of extractive industry data

This indicator considers the extent to which extractive sector data is accessible and used for analysis, research and advocacy.

Burkina Faso EITI has strengthened its disclosures across required and encouraged aspects of the EITI Standard. The [EITI open data portal](#) acts as a central repository of information, where datasets and reports are tagged and sorted to facilitate access. An [open data policy](#) has been adopted by the MSG in December 2022 to allow timelier disclosures from government and companies, in the hope of stimulating public interest with updated disclosures.

The Burkina Faso EITI website contains data in excel format, covering most of general and contextual information of the EITI Standard (Requirements 2.2, 2.3, 2.4, 3.2, 3.3, 5.2, 6.3, 6.4). Data is updated when an EITI Report is available for most disclosures, but not all, and the lag in some datasets reduce the reliability of the open data portal somewhat. Most contracts are available, referenced by type of permit and searchable on the national EITI website, disclosed in PDF. The participation of public and private companies, as well as that of revenue authorities at national and sub-national levels in the EITI disclosure process is now considered as an effective and regular instrument of accountability expected by all stakeholders. There is evidence that stakeholders including press, academic and oversight actors in addition to civil society, use the available data provided on the extractive sector. Advocacy and analysis work by civil society often relies on data published by the EITI: this is the case for example for the TV debate<sup>10</sup> and articles<sup>11</sup> published on environmental impact of the extractive activities, a topic of high interest for host communities. This subject, along with the information on the mining fund for local development (FMDL) has been widely debated following publication of EITI Reports, both at the national and subnational level, during dedicated events, in the medias or in notes prepared by the MSG. Some stakeholders considered however that the EITI could do more to increase local citizens use and uptake of industry data, specifically for the populations located on mining sites and mining regions.

The Secretariat proposes that 0.5 additional point be added to the score on Outcomes and impact for this indicator.

## 1.5 EITI-related changes to extractive industry policy and practice

This indicator considers the extent to which EITI has informed changes in extractive sector policies and practices.

Burkina Faso does follow-up on EITI recommendations for reforms, but here have been few tangible reforms attributable to EITI in government laws, regulations and administrative procedures. A dedicated department within the DGI has been created to follow-up on tax and other extractive revenues<sup>12</sup>, the SERFI. Burkina Faso EITI has also influenced the development of national legislation with the draft beneficial ownership legislation, and the EITI has been solicited by the Ministry of Justice to support the outreach activities related to the beneficial ownership data collection.

In some cases, Burkina Faso EITI has helped to improve the accessibility of data, including through its ongoing centralisation of all published mining contracts. There remain ample opportunities to develop the systematic disclosures of government agencies.

<sup>10</sup> [https://www.youtube.com/watch?v=Dyb\\_kjEZMuA&t=32s](https://www.youtube.com/watch?v=Dyb_kjEZMuA&t=32s)

<sup>11</sup> [Fonds minier de développement local: 96.398 milliards XOF au profit des collectivités en 3 ans - Journal L'Économiste du Faso \(leconomistedufaso.bf\)](#) [Fonds minier de développement local: 96.398 milliards XOF au profit des collectivités en 3 ans - Journal L'Économiste du Faso \(leconomistedufaso.bf\)](#)

<sup>12</sup> <https://itie-bf.bf/download/arrete-n2021-578-minefid-sg-dgi-du-25-octobre-2021-portant-attributions-organisation-et-fonctionnement-de-la-direction-generale-des-impots/> <https://itie-bf.bf/download/arrete-n2021-578-minefid-sg-dgi-du-25-octobre-2021-portant-attributions-organisation-et-fonctionnement-de-la-direction-generale-des-impots/>

There is little evidence of EITI impact on company systems, procedures and practices. Large international mining companies such as Endeavour<sup>13</sup> publish their payments to governments, including Burkina Faso at a global level, but this process appears entirely unlinked from the company's EITI reporting in the country. There seem to be in general little impact on companies aside from the regularity in reporting to the EITI, and their contribution to the Local Mining Development Fund.

The subnational level, in particular the transfers towards the local communities, has been the focus of the EITI for several years now, which supports the audit of the SAI on the FMDL management<sup>14</sup>. Transparency around the local mining development fund (FMDL) has been increased following figures disclosed in the 2020 EITI Report. EITI Reports have pointed to significant gaps between revenues due and actually paid (for 2019 and 2020, in the section on tracing of subnational transfers through the FMDL), findings which could be investigated and could have the potential to strengthen revenue collection and enforcing the sector policies in practice.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

## 2. Outcomes and impact

This component assesses EITI Requirements 7 and 1.5, which relate to progress in addressing national priorities and public debate.

### Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p><b>Work plan (Requirement #1.5)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 1.5 is fully met, as in the previous Validation. The triennial work plan (2022-2024) is the product of input and support from all constituencies. Stakeholder consultations found that the process for developing and updating annually the work plan was transparent and inclusive of the views of members of the broader government, industry and civil society constituencies. However, the 2022 EITI-BF work plan did not include explicit linkages to national priorities and only to a limited degree incorporates recommendations from reporting, Validation, studies and relevant government performance audits recently undertaken<sup>15</sup>.</p>

<sup>13</sup> [https://www.endeavourmining.com/sites/endeavour-mining-v2/files/2022-11/Endeavour%20Mining\\_Tax%20and%20Economic%20Contribution%20Report%202021.pdf](https://www.endeavourmining.com/sites/endeavour-mining-v2/files/2022-11/Endeavour%20Mining_Tax%20and%20Economic%20Contribution%20Report%202021.pdf)

<sup>14</sup> <https://www.leconomistedufaso.com/2020/07/14/fonds-minier-de-developpement-local-les-ressources-ne-sont-pas-correctement-gerees/>

<sup>15</sup> Examples are two SAI performance audits concluded before Q4 2022: June 2020: Performance audit of the collection, distribution and management of mining revenues retroceded to local authorities in the framework of the local development mining fund and surface taxes, available here: [https://www.cour-comptes.gov.bf/details-article?tx\\_news\\_pi1%5Baction%5D=detail&tx\\_news\\_pi1%5Bcontroller%5D=News&tx\\_news\\_pi1%5Bnews%5D=73&cHash=029ea988aefe84279bfb864cfa847c88](https://www.cour-comptes.gov.bf/details-article?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=73&cHash=029ea988aefe84279bfb864cfa847c88), January 2022: performance audit of the environmental monitoring and rehabilitation of industrial mining sites in Burkina Faso, available here: [https://www.cour-comptes.gov.bf/details-article?tx\\_news\\_pi1%5Baction%5D=detail&tx\\_news\\_pi1%5Bcontroller%5D=News&tx\\_news\\_pi1%5Bnews%5D=90&cHash=b711b97a6e41d9e04b546c9f80e13e71](https://www.cour-comptes.gov.bf/details-article?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=90&cHash=b711b97a6e41d9e04b546c9f80e13e71) and May 2022, Compliance audit of the management of gold exploration permits in Burkina Faso, period 2017 to 2020: [https://www.cour-comptes.gov.bf/details-article?tx\\_news\\_pi1%5Baction%5D=detail&tx\\_news\\_pi1%5Bcontroller%5D=News&tx\\_news\\_pi1%5Bnews%5D=94&cHash=917ad7345f18a724ec38ef0e849cfa12](https://www.cour-comptes.gov.bf/details-article?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=94&cHash=917ad7345f18a724ec38ef0e849cfa12)

For the 2024 work plan the EITI-BF may wish to consider the diagnostic and recommendations of the SIA's latest performance audit of licence allocations.

	<p>In its comments on the draft Validation report, the MSG argued strongly for an upgrade to 'fully met', arguing that the national objectives were considered when selecting activities, even if the linkage is not explicitly stated. On balance, it is the Secretariat's view that the underlying objective of Requirement 1.5 is fulfilled given the alignment of EITI objectives with national priorities and the recent inclusion of activities related to mainstreaming the EITI in government and company systems in EITI-BF's (current) <a href="#">2023</a> work plan, agreed and published during the period for MSG comments on the draft Validation report. It is the Secretariat's view the underlying objective of supporting national priorities has been fulfilled with the publication of the latest (2023) EITI-BF work plan.</p> <p>The work plan references the goals of the PNDES II to increase the mining sector's overall relevance for the economy, such as in local content, employment, and investments. The PNDES II also highlights the fight against gold smuggling, regularisation of ASM and improvement of the legal and institutional framework (EA 4.2.3, p.65) as important pillars – which the work plan does not explicitly reference. The work plan does not include activities on local content, gold smuggling or regularisation of the ASM sector (other than activities that are core to ANEEMAS) which are stated objectives of the PNDES II (but not cited in the EITI work plan). In its response to the draft Validation report, the MSG noted that the activities are fully in line with the strategic objectives set out in the PNDES and that the formulation of work plan objectives followed the structure of the EITI Standard. The MSG argues that it was not an obligation to explicitly link EITI work plan objectives to national priorities provided there is broad alignment between the two. Furthermore, the study on illicit financial flows that was undertaken in 2022 was aimed at informing a strategy to combat illicit financial flows, even if this was not mentioned in the EITI-BF work plan.</p> <p>In its response to the draft Validation report, the MSG noted that activities on recommendations from reporting and Validation are included in the work plan and are costed, as long as they require MSG follow-up, whereas recommendations that do not need concerted efforts are followed up through the MSG's annual review of outcomes and impact.</p> <p>The work plan is largely costed, although around half are core government activities. It includes rough time indications per activity (per quarter for 2022). It includes activities on the dissemination of EITI Reports and on gender. It addresses the removal of the legal obstacle on beneficial ownership. It contains two activities on the publication of contracts and licences, but no further activities in using contracts or of maintaining the contracts publications list, which is a requirement.</p> <p>On ASM, the activity of preparing a study on the trade of artisanal gold in the 2021 work plan (activity nr 4.1.1.3) that was marked as having been started in the APR 2021, is not included in the 2022 work plan, nor is any follow-up on the study (for example, on dissemination). This is a concern since most of the report development took place in 2022. However, other activities on ASM from the 2021 work plan (such as 3.1.2.6) have been implemented. In its response to the draft Validation report, the MSG noted that there were other activities related to ASM in the work plan, to be carried out by ANEMAAS. Given the relevance of ASM for the country and region as a whole, and as noted in the section 1.5.9 of the National Development Plan (PNDES-II) 2021-</p>
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	<p>2025<sup>16</sup>, ensuring inclusion of activities that result in providing reliable data (or estimates) on ASM activities (employment, production and export as a minimum, see also assessments of Requirements 6.3, 3.2 and 3.3) and to address issues such as gold smuggling, beyond a study, would benefit from more activities in the work plan. Future work plans may wish to draw on findings and recommendations of an SAI report on mining license awards and environmental rehabilitation of mining sites, as those are governance issues that may benefit of MSG oversight to ensure priority recommendations are addressed. The MSG has not yet undertaken efforts to explicitly link the work plan to a monitoring framework, as encouraged by the EITI Standard.</p>
<p><b>Public debate (Requirement #7.1)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat’s assessment is that Requirement 7.1 is fully met, as in the previous Validation. The rising insecurity in large parts of the country and constraints on civic space have had an impact on the ability of civil society and all constituencies engaged in the EITI process to actively and effectively engage in outreach and dissemination. The trend has been for Burkina Faso EITI to hold in-person outreach and dissemination events in a progressively smaller range every year since 2020 due to the security situation, with events held only within a 100km radius of the capital Ouagadougou in August 2022. The existence of use of data in ways that are critical of government and mining companies is covered under the assessment of the environment for civil society engagement in the EITI (see <i>Requirement 1.3</i>). In its comments on the draft Validation report, the MSG argued for an upgrade in the assessment of Requirement 7.1 to ‘exceeded’. While documentation provided in the templates submitted at the start of Validation implied that the previous practice of holding community radio broadcasts by Burkina Faso EITI had been paused, the MSG comments on the draft Validation report provided evidence of the MSG producing several <a href="#">audio</a> and <a href="#">audio-visual</a> broadcasts on the 2020 EITI Report and other discussions of public interest, such as public discussions of the findings of the Supreme Audit Institution’s (SAI) audit report on mining licensing practices, in order to overcome the security situation’s impact on the holding of in-person meetings. For the first time the MSG explained that it had launched the dissemination of the 2020 EITI Report through a broadcast on prime time news on national television (albeit without a link to the actual broadcast). The Secretariat takes note of the additional documentation that demonstrate that the dissemination activities have continued in 2022 covering the 2020 EITI Report, both in French and in local languages. The comments also highlight that several <a href="#">videos</a> covering specific topics from the 2020 EITI Report were produced and published through social media platforms, such as <a href="#">Facebook</a>.</p> <p>On balance, the efforts undertaken in the past three years and listed in the impact template demonstrate that EITI disclosures, both through the EITI Report and the <a href="#">national EITI website</a>, provide ample information enabling evidence-based public debate on extractive industry governance. EITI-BF and its constituencies actively communicate relevant data to key stakeholders in ways that are accessible and reflect stakeholders’ needs. Stakeholder views expressed during consultations argued that this objective was fully met, while some raised concerns that the security situation had effectively constrained dissemination events in mining regions.</p> <p>Dissemination activities for August-September 2022 all took place within a 100km range of the capital (Ziniaré, Manga, Koudougou and Zorgho,), a good</p>

<sup>16</sup> [https://www.pndes.net/suivipndes/document/SuiviPNDES-archive\\_0837373\\_182.pdf](https://www.pndes.net/suivipndes/document/SuiviPNDES-archive_0837373_182.pdf)

	<p>distance away of some of the major gold mines in the northern, western, southern and eastern border areas, which have come under continuous terrorist attacks in recent years.<sup>17</sup> The dissemination in the year before spawned to regions almost 400km away (Zabré, Gogo, Fada, N’Gourma, Kongoussi, Mogtédó, Boromo, Gaoua, several of which are mining communities). The eleven subnational MSGs, which were set up in 2016 and are referenced in the impact template as innovations of the EITI in Burkina Faso have been closed due to lack of funding, according to stakeholders consulted.</p> <p>The MSG’s ‘Outcomes and impact’ template lists a range of examples where EITI disclosures have been used and referenced in online news platforms<sup>18</sup>. EITI Reports and broader extractive data have been used by civil society stakeholders to promote topics of strong public interest such as subnational transfers, environmental impact of industrial mining and gender. The MSG asked for clarifications from the Minister of Mines on media allegations about mining license awards to companies linked to the Wagner group<sup>19</sup>, which the Minister denied was the case.<sup>20</sup> The three (2018, 2019 and 2020) EITI Reports published in the period under review have been published on the websites of EITI Burkina Faso, of the Ministry of Finance<sup>21</sup>, and the customs agency.<sup>22</sup> Burkina Faso has produced summaries or thematic briefs on the findings of the last three EITI Reports<sup>23</sup>, as well as translations of these summaries in seven local dialects. Civil society’s analysis of EITI data has included work on comparing extractive revenues to total government revenues. Extractive data is broadly used by all stakeholders, which allow the EITI to answer to issues of public interest, such as the Local mining development fund (FMDL)<sup>24</sup> or tax holidays for mining companies.<sup>25</sup> The MSG’s comments on the draft Validation report provide an extensive list of video broadcasts and other media coverage of public debate related to extractive industry governance, which include some evidence of public criticisms related to the Supreme Audit Institution’s audit report on licensing practices (for instance on this RTB <a href="#">broadcast</a>). There has also been some public discussions of the requisition of gold from certain mining companies (for instance in this BF1 <a href="#">broadcast</a>) and license awards to AfroTurk (for instance in this RTB <a href="#">broadcast</a>).</p> <p>EITI Burkina Faso has not designed a dedicated communications strategy to frame its outreach and dissemination efforts. While there is little evidence of the MSG explicitly considering the information needs and access challenges of different stakeholder groups, EITI Burkina Faso appears to have prioritised outreach to civil society and journalists, including communities hosting extractive activities. Considering the gender impact of the extractive sector</p>
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<sup>17</sup> Reference map used: [https://www.lemonde.fr/afrique/article/2022/10/05/burkina-faso-les-cartes-pour-comprendre-les-raisons-du-dernier-putsch\\_6144502\\_3212.html](https://www.lemonde.fr/afrique/article/2022/10/05/burkina-faso-les-cartes-pour-comprendre-les-raisons-du-dernier-putsch_6144502_3212.html)

<sup>18</sup> Including, but not limited to <https://mines-actu.net/news/>, <https://lefaso.net/spip.php> and the news outlet <https://www.leconomistedufaso.com/>

<sup>19</sup> <https://mines-actu.net/2023/01/09/secteur-minier-le-permis-introuvable-de-wagner/>, see also political context in the annex.

<sup>20</sup> <https://minesactu.info/2022/12/20/octroi-dun-permis-minier-au-groupe-wagner-il-nen-est-rien-selon-le-ministre-burkinabe-des-mines/>

<sup>21</sup> [https://www.finances.gov.bf/forum/detail-actualites?tx\\_news\\_pi1%5Baction%5D=detail&tx\\_news\\_pi1%5Bcontroller%5D=News&tx\\_news\\_pi1%5Bnews%5D=524&cHash=2eb742c143d3ad927bde19c2878fe8ec](https://www.finances.gov.bf/forum/detail-actualites?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=524&cHash=2eb742c143d3ad927bde19c2878fe8ec)

<sup>22</sup> [http://douanes.bf/sydoniabf/files/Rapport\\_ITIE\\_2020.pdf](http://douanes.bf/sydoniabf/files/Rapport_ITIE_2020.pdf)

<sup>23</sup> <https://itie-bf.bf/download/rapports-itie-2018-et-2019-simplifies/>

<sup>24</sup> [Fonds minier de développement local : 96.398 milliards XOF au profit des collectivités en 3 ans - Journal L'Économiste du Faso \(leconomistedufaso.bf\)](https://www.leconomistedufaso.com/)

<sup>25</sup> <https://www.facebook.com/CMBurkina/videos/780369856159306/?app=fbi>



	<p>also represents a pillar of the MSG’s outreach and dissemination activities, with several workshops targeted specifically towards women. The figures of participation to each activity held are disaggregated by gender. Despite the pandemic, EITI Burkina Faso has conducted outreach and dissemination activities<sup>26</sup> throughout the period, including radio programs (which according to stakeholders were aired in the period 2020-2021).<sup>27</sup> All activities are listed in the impact template.</p> <p>The Secretariat acknowledges the restrictions on outreach in mining regions given the security context. There is broad acknowledgment of outreach efforts by all stakeholders consulted. Nevertheless, some stakeholders (including development partners) considered that the outreach to communities in the regions hosting mining activities was limited to disseminating global findings from the EITI Reports and left little actionable advice on how to improve livelihoods in their communities after the one-off dissemination events. There is potential for EITI-BF to further tailor dissemination of EITI information to the respective communities, for instance building on the ample project level information available from the EITI. Data in EITI Reports could also benefit from being displayed and analysed in time series, given the rich comparative data available. More public archiving of radio and television broadcasts related to the EITI could also further strengthen dissemination of information to areas where in-person EITI events may not be held due to security concerns.</p>
<p><b>Data accessibility and open data (Requirement #7.2)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat’s assessment is that Requirement 7.2 is fully met. Data from studies and EITI Reports are published in open format alongside the PDF file, allowing a broader use and analysis of information from the extractive sector.</p> <p>The MSG agreed a policy on the access, release and reuse of EITI data in November 2022.<sup>28</sup> The availability of open data is actively advertised on the national EITI website, through the open data platform (which is a separate subsite) <sup>29</sup>, which acts as a catalogue for accessing excel files under the Open Data Commons Attribution License. The data is available in excel, is linked to the government agency which provided the information, and is tagged per thematic area. Summary data file have been submitted for each EITI Report up to 2020. EITI Report data in dedicated excel files is available for reporting years 2017-2020. Other data sets that are published by other reporting entities (mainly government) are published by theme but do not seem comprehensive and regularly updated.</p> <p>The Secretariat considers this requirement to be borderline to exceeded, being one of the few examples that indexing datasets to ease access. The Secretariat welcomes the good practice of indicating the open data licence applicable to the excel files, and the source of the data.<sup>30</sup> In order to achieve exceeded, EITI-BF should identify priority data sets it intends to republish on a regular basis from government entities, to ensure that the platform is perceived and trusted as a comprehensive and reliable source for data sets</p>

<sup>26</sup> <https://itie-bf.bf/download/rapport-de-dissemination-du-rapport-itie-2020/>

<sup>27</sup> <https://itie-bf.bf/audiotheque/>

<sup>28</sup> See <https://itie-bf.bf/download/politique-des-donnees-ouvertes-et-de-la-divulgation-systematique-de-litie-burkina-faso-novembre-2022/>

<sup>29</sup> <http://portail.itie.gov.bf/search/type/dataset>

<sup>30</sup> See for example: <http://portail.itie.gov.bf/dataset/affection-de-revenus-2017>

	<p>on the extractive industries.<sup>31</sup> The open data portal doesn't include more recent datasets consistently.</p>
<p><b>Recommendations from EITI implementation (Requirement #7.3)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 7.3 is mostly met, which represents backsliding compared to the previous Validation. Stakeholder consultations found that constituencies did not have any doubts on the effective follow-up on recommendations from EITI reporting and Validation, and that the separate running list of corrective actions and recommendations was a functioning mechanism. However, desk research and consultations did not find evidence that EITI implementation is a continuous learning process that contributes to policy making. The main legal reforms as a result of the EITI were enacted in 2015 with the establishment of the FMDL. However, follow-up on recommendations since then have focused on EITI reporting related recommendations, rather than to broader sector reforms. Other issues such as gold smuggling, revenue leakages and licencing backlogs have not yet given rise to EITI recommendations for reform. In its response to the draft Validation report, the MSG outlined its involvement in more recent legal reforms and current input to the revisions of the Mining Code. The MSG states that there had been follow-up actions by the cadastre department itself on the SAI audit on licence attributions, and that the EITI has been asked to work with the Ministry on the possibility to review all licence awards up to 2021. The study on illicit financial flows from artisanal mining that was commissioned in 2022 (and appears to still be ongoing) demonstrates that the EITI is working on issues that may not have been noted in the EITI Report but that are considered known governance challenges. The MSG further commented that the mechanism to follow up on recommendations is the annual progress report and the work plan, where those activities of priority and where capacity and funding are available are taken on board (which appear primarily related to EITI reporting). MSG meeting minutes demonstrate that the MSG instructed a working group to produce an overview of the follow-up on recommendations, which was presented on 24 August 2022 by an ad-hoc MSG working group.<sup>32</sup> Such an overview was produced in 2020 as well, but not in 2021. Hence the Secretariat maintains that the mechanism for tracking and updating progress on recommendations and corrective actions outside of the EITI reporting cycle remains ad-hoc in nature.</p> <p>Minutes of MSG discussion and documents published ahead of Validation, including the Outcomes and Impact template and the 2020 EITI Report, show that the MSG has a mechanism to identify, investigate and address the causes of discrepancies and to consider the recommendations stemming from EITI Reports and Validation. There is also evidence of MSG discussions and actions to address the causes of discrepancies, including in MSG meeting minutes and after publication of the latest (2020) EITI Report. The 2020 EITI Report includes a table listing 19 recommendations for addressing the causes of weaknesses in EITI reporting and in oversight of the extractive industries, as well as the MSG's views on some of them and progress made so far in their implementation. Activities to implement some of these recommendations are included and budgeted in EITI Burkina Faso's separate matrix that tracks</p>

<sup>31</sup> For example, data sets as for the FMDL, which is of high interest, is not available yet : [http://portail.itie.gov.bf/search/field\\_topic/fonds-miniers-42](http://portail.itie.gov.bf/search/field_topic/fonds-miniers-42) . For data on revenue allocation, the files for 2020 are not available there: [http://portail.itie.gov.bf/search/field\\_topic/collecte-et-repartition-des-revenus-36](http://portail.itie.gov.bf/search/field_topic/collecte-et-repartition-des-revenus-36). EITI-BF is encouraged to consult the EITI's open data policy for implementing countries. <https://eiti.org/documents/eiti-open-data-policy>

<sup>32</sup> The working group had met from 19 to 22 July and listed the follow up on 33 recommendations: <https://itie-bf.bf/download/rapport-de-suivi-des-recommandations-aout-2022/>

	<p>follow ups from reporting and Validation (latest available online from August 2022).<sup>33</sup></p> <p>Desk review of documentation and stakeholder consultations identified that findings from reporting on the gap of revenues (royalties and sales revenues identified in at least two reports) and challenges arising from the first-come first-serve licencing regime, despite their relevance on domestic resource mobilisation and good governance, have had little attention or follow-up from the MSG. The MSG's comments on the draft Validation report stated that the findings of recent EITI Reports indicating a shortfall in mining company payments to government were errors that had not been identified by the MSG in approving the draft EITI Reports. The Secretariat's view is that this reflects weaknesses in the MSG's system for following up on EITI recommendations. While the Secretariat recognises the existence of a robust mechanism for identifying, investigating and addressing the causes of discrepancies in EITI reporting, it considers that the mechanism for following up on recommendations from EITI implementation related to broader extractive industry governance remains ad hoc and thus not robust to ensure a genuine multi-stakeholder oversight of the process of prioritising and following up on recommendations for broader reform.</p>
<p><b>Review the outcomes and impact of EITI implementation (Requirement #7.4)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 7.4 is fully met, as in the previous Validation. The MSG has published the annual progress reports and has taken gender into consideration. The yearly review has not yet led to the identification of reform efforts, but states that it has delivered on its own objectives for the EITI.</p> <p>The MSG has undertaken efforts to review the outcomes and impact of the EITI and the objective of regular public monitoring and evaluation of implementation that ensures the EITI's accountability has been met. While the requirement is assessed as fully met, there is evidence that Burkina Faso EITI has addressed some of the encouraged aspects of Requirement 7.4, including undertaking ample efforts on to include gender and inclusiveness considerations in its outputs and dissemination efforts. A working group to assess the place of women in the implementation of the EITI was established in 2020, with public events held<sup>34</sup> and a consultant recruited to fully integrate gender in the 2020 EITI Report. The MSG's efforts to take gender considerations and inclusiveness into account are captured in MSG meeting minutes<sup>35</sup>, the 2020 EITI Report<sup>36</sup>, the 2022-2024 work plan (p.16), the EITI-BF website and outcomes and impact template.</p> <p>The 2021 Annual Progress Report provides comments on recommendations for improving EITI implementation in the country, particularly in terms of communications and dissemination activities. It includes a summary of activities and an overview of progress towards each EITI Requirement (section IV). It also includes a narrative account of the impact of the EITI on natural resource governance and lists efforts to expand the scope of EITI implementation to increase stakeholder engagement in accordance with Requirement 7.4.a.v. Whereas some of the reviewed activities reflect the</p>

<sup>33</sup> <https://itie-bf.bf/download/rapport-de-suivi-des-recommandations-aout-2022/>

<sup>34</sup> <https://itie-bf.bf/download/compte-rendu-de-la-conference-publique-a-lendroit-des-femme>

<sup>35</sup> <https://itie-bf.bf/download/compte-rendu-de-la-premiere-session-extraordinaire-du-comite-de-pilotage-de-linitiative-pour-la-transparence-dans-les-industries-extractives-itie-du-10-juillet-2020/>

<sup>36</sup> <https://itie-bf.bf/download/termes-de-reference-relatifs-au-recrutement-dun-administrateur-independant-bureau-charge-de-la-production-du-rapport-itie-2020-2/>

	<p>value add of EITI, there are numerous activities that have been documented in the APR that are executions of activities that are the core mandate of government institutions.</p> <p>The MSG undertook consultations to give all stakeholders an opportunity to provide feedback on the EITI process and the impact of the EITI and has reflected their views through the 2021, 2020, 2019 annual progress reports (Requirement 7.4.b). In addition, stakeholders were able to provide feedback on the EITI process during outreach events. The <a href="#">2021 annual progress report</a>, also published on the Ministry of Finance website, provides an overview of the outputs and outcomes of individual activities carried and addresses progress on the seven broader objectives set out in the 2022-24 work plan (Requirement 7.4.a.iv). Stakeholders confirmed in consultations that their views were sought and reflected in the annual review of outcomes and impact.</p>
<b>New corrective actions and recommendations</b>	
<ul style="list-style-type: none"> <li>• To strengthen implementation of Requirement 1.5, Burkina Faso is encouraged to more explicitly show how the EITI's objectives contribute to national priorities and that implementation supports current reform efforts. Burkina Faso is encouraged to regularly reconsider the scope of EITI disclosures, ensuring they cover priority areas related to artisanal mining and associated issues and governance challenges, and that it includes follow up on findings from studies and performance audits that are deemed priority areas. Burkina Faso EITI is encouraged to link the annual EITI work plan to a monitoring framework.</li> <li>• To strengthen implementation of Requirement 7.1, Burkina Faso could extend its awareness-rising activities, including dissemination and capacity-building activities, to address specific issues or topics that are considered priorities by national and local stakeholders, such as artisanal mining or gold smuggling. Burkina Faso is encouraged to broaden the organisations involved in these activities, to build the capacity of new CSOs in mining communities.</li> <li>• To strengthen implementation of Requirement 7.2, Burkina Faso is encouraged to ensure the regular and routine publication of priority data sets on the open data portal, to ensure its sustainability and reliability as source for data sets for extractive industry analysis. Burkina Faso is further encouraged to consider publishing the data in machine readable formats such as CSV, JSON, XML and building on the EITI's Open data policy.</li> <li>• In accordance with Requirement 7.3, Burkina Faso should ensure to capture corrective actions, recommendations from EITI reporting and other relevant studies in a way that enables the implementation to be continuous learning process that contributes to policy-making, and that are reflected in yearly work plans. To strengthen implementation of Requirement 7.3, the MSG is encouraged to consider recommendations for strengthening government systems and natural resource governance and followed up on recommendations made in extractives sector performance audits.</li> <li>• To strengthen implementation of Requirement 7.4, Burkina Faso is encouraged to monitor and evaluate if the objectives and activities in the work plan sufficiently reflect stakeholder needs and ongoing reform efforts.</li> </ul>	

### 3. Stakeholder engagement

This component assesses EITI Requirements 1.1 to 1.4, which relate to the participation of constituencies and multi-stakeholder oversight throughout the EITI process.

#### Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p><b>Government engagement (Requirement #1.1)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 1.1 is mostly met. Following the two coup d'états in 2022, Burkina Faso's constitution has been suspended and the country remains governed by a military regime. The country is in exceptional circumstances, and has been suspended by regional bodies such as ECOWAS. Recent requisition of gold purchased from companies as well as plans to earmark half of the funds in the local mining development fund (FMDL) to finance national security spending<sup>37</sup> are reflections of significant government decisions in the mining sector related to the ongoing fight against Islamist insurgents. The Secretariat's view is that the recent actions since the second coup d'état in 2022 undermine Burkina Faso's achievements on securing funds for local communities and a more stable and predictable investment climate for mining companies.</p> <p>The announcement of the award of two mining licences in March 2023 that were not recorded in the mining cadastre as of May 2023 appeared to indicate that there had been significant deviations from the legal mining license allocation procedures. In its response to the draft Validation report, the MSG vehemently opposes the characterisation of a country in turmoil and unilateral government action, without consultation of partners. The MSG argues that the requisition of gold from specific mining companies and the planned earmarking of a share of FMDL funds to national security purposes followed a process outlined by law, with legal reforms ongoing to alter the management of local mining development fund allocations. The MSG provides documentation showing that the gold was not appropriated but purchased at the market price, and reforms in the allocation of FMDL funds went through <a href="#">parliamentary approval</a>, with several discussions held with companies, civil society and the EITI to seek input on the legal changes to the FMDL's allocations. Nonetheless, the new earmarks of certain mining funds for national security purposes does not appear to have yet been recorded in the national budget, which the IMF's Resident Representative has argued should be done to improve transparency in the use of these funds (as reflected in a July 2023 <a href="#">article</a> in L'Economiste du Faso).<sup>38</sup> On the licence allocation, the MSG's comments note that the award followed due legal procedures, given that the March 2023 announcement related to the government's approval of the transfer of these mining licenses prior to their actual award, and that both licences have now been registered in the mining cadastre.<sup>39</sup></p>

<sup>37</sup> See <https://minesactu.info/2023/03/24/fonds-minier-de-developpement-local-environ-25-milliards-fcfa-pour-les-collectivites-pour-le-compte-du-2e-semestre-de-2022/>

<sup>38</sup> <https://www.leconomistedufaso.com/2023/07/17/cooperation-burkina-fmi-un-accord-de-pres-de-180-milliards-fcfa/>

<sup>39</sup> The documentation points to the cessation of the Inata Tambao mines being discussed at the meeting of the council of ministers, 1 March 2023 ([link](#)).

	<p>Consultations with non-government constituencies found that follow-up from government has slowed down in 2022. Stakeholders consulted considered that this was mainly due to the reshuffling of leadership positions following two military coup d'états. The first coup d'état in January 2022 resulted in the change of the Chair and Vice-Chair, and the merger of the Ministry of Mines and Quarrying and the Ministry of Energy into one Ministry, with further changes in structures and personnel and an impact on EITI implementation. Formally, Ferdinand Ouédraogo, Chief of Staff of the Prime Minister, renewed the high-level commitment of the government in a public letter to the EITI Chair in December 2022 reaffirming the transitional government's commitment to continue with EITI implementation as a tool to promote good governance. A similar note had been issued on the EITI website in February 2021 by the Minister of Economy and Finance, Lassane Kabore. Senior officials lead EITI implementation. The EITI Chair is the Secretary General of the Ministry of the Economy and Finance, Nicolas Kobiane, and the Vice Chair is the Secretary General of the Ministry of Mines and Energy, Moïse Ouedraogo, appointed in March and April of 2022 respectively. The current Secretary General of the Ministry of Mines and Energy is Jean Baptiste Kabore, appointed in 2023. In its comments on the draft Validation report, the MSG shared a <a href="#">letter</a> from the Minister of the Economy and Finance published on 19 July 2023 reiterating the transitional government's commitment to the principles and requirements of the EITI "transparency, accountability and freedom of expression." The public letter also reiterates the government's commitment to continue funding the EITI's activities. The new government had provided assurances of its commitment to the EITI in a letter to the EITI chair from the Director of Cabinet of the Prime Minister's office in December 2022, although this letter does not appear to be publicly accessible to citizens of Burkina Faso.</p> <p>The government provides operational support and, according to its 2022-2024 work plan and the 2021 APR, funds 96% of costs, even if around half of the activities read as core government activities rather than activities carried out by EITI stakeholders in relation to implementing the EITI Standard. The national secretariat is hosted by the Ministry of the Economy and Finance and is considered a key convening body to ensure progress in implementation. There are currently 18 members in the EITI Secretariat, and the government, over three years (2020-2022), has paid USD 1.2 million for EITI implementation through the national budget. The government has enacted legislation for the public disclosure of beneficial owners, in order to remove the legal barrier to reporting (see <i>Requirement 2.5</i>).</p> <p>In terms of representation on the MSG, the main reporting entities are present at senior levels with the exception of the Treasury, which holds observer status (and receives a reduced level of per diem for that role). Civil society and industry MSG members consider the level of government representation on the MSG to be sufficiently senior to ensure efficient decision making and follow-up on MSG decisions. Participation of government members was strong in the period under review. Government members participate in technical working groups in preparations of the work plan, annual reporting, and EITI Reports and Validation. Government members outside of the MSG have</p>
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	<p>contributed to the elaboration of the 2022-2024 EITI-BF work plan.<sup>40</sup> Constituency coordination is done mainly via the national secretariat.</p> <p>The ‘Stakeholder engagement’ and ‘Outcomes and impact’ templates highlight the efforts carried out by the government on its follow-up on the establishment and monitoring of the local development funds (FMDL), which was a key campaigning item for civil society (see <i>Requirement 7.4</i>). It also highlights the creation of a central unit at the tax office to facilitate the collection and publication of company fiscal payments for the EITI. However, the government’s plans announced in early 2023 to redirect part of the FMDL funds to finance national security expenditures appeared to represent backsliding in past reforms in the transparency and accountability of subnational transfers of mining revenues. In its comments to the draft Validation report, the MSG disputes this characterisation and notes that company and civil society stakeholders have been consulted and, following discussion, a change in law was submitted to Parliament. Desk research shows that the law modifying the FMDL law was unanimously <a href="#">adopted on 25 July</a> to allow a share of the FDML to be redirected to a fund for patriotic support (“<i>Fonds de soutien patriotique (FSP)</i>”). Nonetheless, the Secretariat notes announcements in March 2023 that the Government had been withholding half of the 2023 funds destined to the FMDL to “ earmark” them for national security expenditures pending the FMDL law’s reform.<sup>41</sup> Some press coverage (such as <a href="#">Mines Actu Burkina</a>) appears to indicate that around half of the FMDL funds for the second half of 2022 (XOF 12bn out of a total of XOF 25.4bn) were retained to fund national security expenditures.</p> <p>Dissemination efforts related to the EITI on behalf of government have mainly been carried out by the national secretariat. The ‘Stakeholder engagement’ template highlights the participation of government entities in the regional dissemination of EITI Reports (DG Mining and geology, cadastre office, environmental agency (ANEVE)). The line ministry has briefed the President on the key findings and recommendations on the 2017, 2018, 2019 and 2020 EITI Reports.<sup>42</sup> Yet, while government engagement in the EITI process has continued at the operational level, evidence reviewed in preparation of the draft Validation report appeared to indicate that the changes in high-level political positions had weakened the government’s effective leadership of the EITI process given the lack of evidence in the MSG’s Validation templates related to the new government’s public commitment to the EITI. In its comments on the draft Validation report, the MSG strongly disputes this characterisation and notes that high-level support continues, as indicated in the government’s recent published letter reiterating its commitment to the EITI.</p> <p>Most significant aspects of Requirement 1.1 appear to have been addressed in the period under review (2020-2023), including the government’s recent (July 2023) public commitment to the EITI some ten months after it came to power in the September 2022 coup d’état. The MSG’s comments have argued strongly that all recent government decisions in the mining sector have been undertaken in a manner consultative of industry and civil society, even if the earmarking of a share of subnational mining transfers to national security</p>
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<sup>40</sup> See Decree ° 2022-0073 portant création d'un comité technique d'élaboration du rapport d'avancement 2021et du plan d'action 2022-2024 de l'ITIE-BF

<sup>41</sup> See <https://minesactu.info/2023/03/24/fonds-minier-de-developpement-local-environ-25-milliards-fcfa-pour-les-collectivites-pour-le-compte-du-2e-semestre-de-2022/>

<sup>42</sup> Please refer to the links to the statements and briefings can be found in the Stakeholder engagement template.

	<p>appears to have pre-dated the legal reform process and the Council of Minister's approval of the transfer of mining assets to AfroTurk appears to have pre-dated the formal license allocation process. Notwithstanding the MSG's view that all recent government decisions have been made in consultation with other constituencies, the Secretariat considers that the objective of effective government leadership of the EITI process remains mostly met given the impact of government changes after the two coup d'états in 2022 on the constituency's high-level leadership and follow-up on recommendations, as well as the impact of recent government decisions, such as the earmarking of FMDL funds for national security and gold requisitions, on the transparency in the management of mining revenues. Notwithstanding the appearance of legality in the government's recent decisions in the mining sector, the objective of effective government leadership of the EITI process to support transparency and good governance in the extractive industries has been mostly fulfilled in the period since the previous Validation.</p>
<p><b>Industry engagement (Requirement #1.2)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 1.2 is fully met, as in the previous Validation. Companies fully and actively engage in EITI reporting and participate in the MSG, and the broader constituency has opportunities to be informed and engaged in the EITI process. The recent government decisions to requisition gold production from certain mines (purchased at market prices) is covered under government engagement (see <i>Requirement 1.1</i>). Stakeholders consulted from other constituencies considered industry engagement and participation in the EITI as adequate.</p> <p>Attendance at MSG meetings was very high for the six industry representatives, with the exception of the member from Endeavour Mining (Houndé et Karma), which only participated in three out of 18 meetings.<sup>43</sup> All 16 material companies participated in reporting and supplied the necessary assurances (with one exception for the 2020 EITI Report). Three out of 16 companies did not provide legal ownership information.<sup>44</sup> There were gaps in submission of beneficial ownership information, but consulted companies stated that this was more due to unfamiliarity with the reporting requirements.<sup>45</sup> Companies participate in the EITI-BF working groups. The assessment of the representativeness of MSG members with respect to their wider industry constituency is covered under MSG oversight (see <i>Requirement 1.4</i>).</p> <p>It is unclear from the terms of reference how the Chamber consults non-Chamber members and how companies that are not members of the Chamber can be nominated to represent companies on the MSG. However, the majority of mining companies appear to be members of the Chamber of Mines. There are no wholly Burkinabe-owned companies represented on the MSG.<sup>46</sup> The constituency regularly meets (three times a year) and updates on EITI are channelled through the Chamber of Mines. Companies not represented on the MSG confirmed that they were consulted ad-hoc through the Chamber and feel adequately represented. In terms of topics to cover,</p>

<sup>43</sup> The company Endeavour sold its 90% stake in the Karma mine in March 2022. The cadastre doesn't list a licence under the company name. The EITI 2020 Report annex shows that Groupe Endeavour Mining owns 90% of SEMAFO Burkina Faso SA and 90% SEMAFO Boungou, which in turn is also represented on the MSG. There may be other Endeavour subsidiaries but lacking the full list of legal owners of all licence holders (see requirement 2.5), it is not possible to establish.

<sup>44</sup> See Annex 3, 2020 EITI Report

<sup>45</sup> See requirement 2.5

<sup>46</sup> The legal ownership information is not complete, so this cannot be said with certainty.



	<p>consultations with companies not represented on the MSG highlighted the long processing times for mining licence applications and renewals as well as conflicts with artisanal miners as urgent governance issues to resolve.</p> <p>Companies fund selected activities in the EITI work plan (6.1.1.4 and 6.1.1.5) and participate in outreach activities for the dissemination of EITI Reports. Company stakeholder highlighted in consultations that they also actively took part in explaining their contribution to the FMDL and have invited EITI stakeholders (including the national secretariat) to visit a mine to improve their understanding of mining operations. The ‘Stakeholder engagement’ template lists different activities where companies, mainly through the Chamber of Mines, draw on data from EITI disclosures in their communications. In its comments on the draft Validation report, the MSG emphasised consultations with all relevant stakeholders including mining companies on the government decisions to earmark a share of FMDL funds and gold requisitioned from mining companies for national security expenditures.</p> <p>Company stakeholders confirmed that there were no obstacles to participation in the EITI for their constituency and that the national secretariat ensures that invitations for MSG meetings are sent sufficiently in advance. Company stakeholders also confirmed the possibility to input to the MSG meeting agenda.</p>
<p><b>Civil society engagement (Requirement #1.3)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat’s assessment is that Requirement 1.3 is mostly met, which represents back-sliding since the previous Validation. Civil society organisations (CSOs) have been fully and actively engaged in the EITI process for much of the period under review since the previous Validation. The Secretariat’s view is that the government’s actions, especially since the second military coup d’état have led to a deterioration of civic space related to freedom of expression on extractive industry governance. Consultations and desk research identified breaches of the EITI protocol: Participation of civil society including the lack of an enabling environment for public expression that is critical of the government among the broader civil society constituency. In its comments to the draft Validation report the MSG strongly affirms that the requirement is fully met. The MSG shared the <a href="#">minutes of its 23 June 2023 meeting</a> where the challenging security context was acknowledged. In this meeting, a <a href="#">memorandum on the freedom of press and expression</a> was adopted stating that journalist intimidation were not carried out by the government and that there were ample platforms for critical and open discussion. It states that members of the MSG freely express themselves on all topics. The memorandum is adopted and published by the MSG with contributions from the Ministry of Communications, the Superior Communications Council and the private press. The MSG’s comments referenced several broadcast media reports and press articles reflecting public debate about recent government decisions in the extractive industries, including the requisitioning of gold purchased from mining companies and the earmarking of a share of subnational mining revenue transfers to national security, but the Secretariat considers that the public discussion of these issues has not included the expression of views critical of the government’s actions or questioning the reasons for these government decisions and their impact on transparency. Stakeholder consultations for this Validation also identified a lack of regular contact to mining communities and stakeholders in</p>

	<p>ASM regions.<sup>47</sup> A detailed review of progress with Requirement 1.3 and adherence to the EITI protocol: Participation of civil society is provided in Annex A.</p> <p>International rankings of civic space state that legal constraints and threats against journalists critical to the government have led to a worsening of the broader civic space environment since 2019. Desk research and consultations identified cases of threats against journalists, although all stakeholders consulted including from civil society stated that those were not directly related to the extractive industries and not perpetrated by the government. However, in a context of general mobilisation, removal of broadcasting licences of media outlets critical of the government's actions, government decisions to earmark a share of subnational mining revenue transfers and requisitioned gold for national security purposes and reports of military violence against civilians indicate a worsening of civic space and environment for public expression by civil society. The environment of recrimination against media coverage critical of the military government has been extensively <a href="#">covered</a> in international media, including the withdrawal of licenses of certain foreign media for their coverage of national security issues in Burkina Faso.</p> <p>Whereas the International Secretariat acknowledges that there is ample evidence of civil society members and online media outlets using disclosures from the EITI to inform public debate (as documented in the 'Outcomes and impact' template), public debate over recent government decisions such as the earmarking of a share of subnational mining revenue transfers and requisitioned gold for national security purposes appears to have primarily focused on factual statements rather than debate over the detailed reasons for these recent government decisions and procedures or expression of views critical of the government's actions and its impact on transparency. The barriers to freedom of expression and operation arise from the continued high tension linked to the fragile security situation. All stakeholders consulted in Burkina Faso denied that there were any taboo topics related to the EITI process of extractive industry governance. The MSG's comments provide extensive documentation of public broadcasts and press articles (such as this April 2023 <a href="#">broadcast</a> on RTB) that argue that all restrictions on freedom of expression and of the press are related to actions by actors not linked to the government. In its comments, the MSG also refers to the Burkina Faso's score in Reporters without Borders' (RSF) ranking of freedom of the press. However, the International Secretariat notes RSF's recent statements (<a href="#">here</a> and <a href="#">here</a>) denouncing "disproportionate decisions that have the appearance of a direct injunction from the military authorities" and an open letter to the Burkina Faso government calling for an end to press freedom violations in the country. Rsf also claims (<a href="#">here</a>) that "the worsening political and security context has led to increased self-censorship and pressure." Recent government actions to revoke licenses of certain foreign media in retribution for their coverage of national security issues, growing concerns over self-censorship as a consequence of government actions including on the part of RSF, and the lack of public debate raising questions on transparency that are critical of recent government decisions in the mining sector related to requisitioning mining revenues and physical gold for national security purposes raise concerns over</p>
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<sup>47</sup> The 2017 Validation of Burkina Faso determined that CSO participation and engagement went "beyond", as Validation showed how civil society actively leveraged the EITI to push for changes in the Mining Code, which was adopted in 2015. The 2017 assessment was undertaken in the period of democratisation of the country (see for more background Annex B: Political contextw).

	<p>the environment for freedom of expression critical of the government that is of fundamental importance to enabling genuine multi-stakeholder debate as part of the EITI process. Thus, the Secretariat’s view is that the environment for civil society engagement in the EITI process and public debate on extractive industry governance is not fully enabling the objective of Requirement 1.3 and there are credible concerns on the environment for free expression on issues covered by the EITI process due to fear of reprisal by authorities in retaliation for any criticism of the military government’s management of the economy, including the extractive industries.</p> <p>In terms of civil society engagement in the EITI, the constituency’s participation in MSG meetings is robust, with the exception of members of <i>Centre pour la Gouvernance Démocratique</i> who only attended a third of MSG meetings (seven out of 18). Civil society are actively represented in all MSG working groups and discussions of the MSG, as reflected in meeting minutes (see <i>Requirement 1.4</i>). The broader civil society constituency engaged in the EITI is led by ORCADE (<i>Organisation pour le Renforcement des Capacités et de Développement</i>). The organisation until November 2022 led the National Council of CSOs, a network of CSOs including human rights activists, anti-corruption and pro-democracy groups and public finance experts. Jonas Hien has passed the leadership to a public finance expert Herman Doanio, but remains part of the leadership of the group that coordinates the civil society actors across the country.<sup>48</sup> The network is often called upon by political leadership to share their views on important policy decisions. However, it is unclear whether the National Council of CSOs has been consulted on more recent decisions such as seizures of private property for national security purposes or the appropriation of FDML funds. The constituency organises consultation and dissemination events with its network three times a year. While these were not conducted physically in 2020 and 2021 due to COVID-19 restrictions, input was nevertheless sought in writing and in conversations. Physical events for coordination have resumed since 2022 and the broader civil society constituency beyond the MSG members were given the opportunity to input to the work plan and APR.</p> <p>The EITI-BF “Stakeholder engagement” and “outcomes and impact” templates provide extensive examples of civil society public expression and engagement. Civil society continues to use the EITI platform to monitor changes achieved in the Mining Code. Nonetheless, the Secretariat’s assessment is that the environment for civil society engagement in the EITI process and public debate on extractive industry governance is not fully enabling progress towards the objective of Requirement 1.3 and that this environment has hindered the broader civil society engagement in free expression as envisioned in the EITI protocol: Participation of civil society, due to fear of reprisals from authority, particularly since September 2022.</p>
<p><b>Multi-stakeholder group (Requirement #1.4)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat’s assessment is that Requirement 1.4 is mostly met, without considerable improvements since the last Validation. While the EITI decree is enacted in practice, the company and civil society constituencies have not yet established clear nomination procedures that allow organisations or companies outside the existing members to participate in the MSG nominations process. This is particularly relevant because of upcoming renewals of MSG members planned for August 2023. Nonetheless, the</p>

<sup>48</sup> See <https://libreinfo.net/herman-doanio-president-du-conseil-national-des-organisations-de-la-societe-civile/> for more background on the change in leadership and the network.

	<p>Secretariat finds that the two constituencies have improved their outreach and coordination with their broader constituencies. The MSG's comments on the draft Validation report strongly dispute the view that the government has taken unilateral actions in awarding mining licences outside of the statutory process, earmarked FMDL funds to national security without consultation with other constituencies, and requisitioned gold from mining companies without fair compensation and outside of the legal process (see <i>Requirement 1.1</i>). Yet there remains a need for greater accountability in the industry and civil society procedures for nominating their MSG representatives and for greater transparency in the MSG's operations, including by improving transparency in the MSG's deliberations by improving the accessibility of meeting records.</p> <p>In the phase prior to the second coup d'état in September 2022, stakeholders consulted from all constituencies, including beyond the MSG's membership, considered that the MSG was independent and exercised active and meaningful oversight of all aspects of EITI implementation, with the three constituencies' interests considered in a consensual manner. Consulted MSG members considered that the MSG continued to exercise balanced oversight of the EITI process after the second coup d'état. The MSG's comments on the draft Validation report included references to the <a href="#">minutes</a> of a March 2023 MSG meeting, in which recent government decisions and developments in the mining sector were discussed including the requisitions of gold from certain mining companies and the award of licenses to the company AfroTurk. These MSG discussions were factual and focused on describing the situation, without apparent discussion on the reasons and motivations for these government decisions. The Secretariat considers that the lack of evidence of critical debate within the MSG on the government's recent decisions in the mining sector, including changes to FMDL fund allocations and requisitions of gold from certain mining companies, combined with the continued lack of clarity around statutory industry and civil society nominations to the MSG and challenges in public access to MSG meeting records, raise questions around the MSG's oversight and use of the EITI process to address extractive sector challenges of national priority.</p> <p>While civil society and industry have adopted general procedures for nominating and changing their MSG representatives, these have not yet been publicly codified to date and stakeholders not represented directly on the MSG do not appear to know how to participate in each constituency's MSG nominations procedures. This gap remains outstanding since the previous Validation. The companies' constituency adopted Terms of Reference on 21 December 2022, confirming that the nominations procedure is conducted through a secret vote, but without additional clarifications on the process to be followed. The constituency's MSG membership term length, mandate and methods for communicating between MSG and non-MSG members is also described and confirmed as applied in consultations. However, public documents do not describe how the constituency assembles mining and petroleum exploration companies to participate in the nomination of its MSG members (which the ToRs explicitly refer to in Article 2). Company stakeholders consulted confirmed their independence to nominate their own candidates. Civil society adopted its own Terms of Reference (referred to as <i>Code de Conduite</i>) in May 2019, although they do not describe how the constituency assembles members that are not already part of the MSG to nominate new civil society MSG members. The nomination clause refers to how civil society MSG members chose a member from their own organisation</p>
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	<p>(Art. 8), but not how organisations not yet represented on the MSG can nominate their own candidate, and the process of election. Consulted civil society members confirmed their independence in nominating their own candidates, free of coercion.</p> <p>Compared to the previous Validation, outreach and consultation efforts of civil society and companies to their broader constituencies have improved somewhat. The MSG's ToR describing members' roles and responsibilities have been in force since July 2019, and are followed in practice according to all stakeholders consulted. Representatives consulted from both constituencies confirmed that internal rules for changing MSG representatives have been followed in practice. The gender balance in the industry constituency of companies is overwhelmingly male (five out of six). In one of the minutes of the industry constituency's meetings, members discussed the possibilities of alternates of the opposite sex.<sup>49</sup> Three of the eight full members of the civil society constituency are women. The government constituency currently has no women MSG members. Stakeholders clarified that the regional MSGs, listed in the 'Stakeholder engagement' template, are no longer active.</p> <p>Consultations confirmed that MSG members from different constituencies have sufficient capacity to carry out their duties. In terms of representation, consultations with members of civil society not represented on the MSG and organisations that partner with the EITI consider that the civil society constituency has had limited renewal in the past ten years. One stakeholder noted that mining regions and artisanal mining communities are not adequately represented on the MSG, given that the main CSOs engaged in the EITI process are based in the capital Ouagadougou.<sup>50</sup> While the Secretariat acknowledges the limitations on effective participation and communication due to the security challenges, it considers the lack of codification of the specific nominations procedure for MSG members as a weakness that should be addressed to ensure that new organisations can be engaged in the process for appointing civil society's representatives to the MSG.<sup>51</sup> The companies represented on the MSG are representative of the large-scale mining industry and includes companies engaged in both exploration and production. The 27-member Chamber of Mines is the constituency coordinator, although most of its members are large-scale industrial mining companies. Artisanal and semi-mechanised mining companies are not represented on the MSG and it is unclear how these miners are consulted as part of the EITI process. For government, other constituencies confirmed that they believe the members adequately represent the government, with the Treasury holding a permanent observer post. In terms of balance of MSG representation, some companies considered that they are underrepresented with six company seats compared to 11 for government and eight for civil society, although other constituencies did not share this opinion.</p> <p>The MSG's governance documents continue to be the 2008 decree instituting the EITI and the MSG's own 'internal rules' (<i>règlement interieur</i>) last updated in July 2019, while the 2019 decree<sup>52</sup> codifies the MSG's composition. The MSG's internal rules cover the provisions listed in Requirement 1.4.b, and they appear to be followed in practice according to stakeholders consulted,</p>
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<sup>49</sup> Minutes of the company constituency meeting, 21.12.2022

<sup>50</sup> There is a civil society member representing ASM: Corporation Nationale des Artisans et exploitants de Petites Mines

<sup>51</sup> See further references in requirement 1.4.

<sup>52</sup> Arrêté N° 2019-350 portant nomination des membre de COPIL.

including outreach activities and constituency coordination.<sup>53</sup> MSG stakeholders confirmed that decision-making is conducted in an inclusive way and that they are treated as partners, recent unilateral government actions in the mining sector notwithstanding. Work plans, APRs and EITI Reports are approved by the MSG. All constituencies are represented in the working groups, as listed in the 'Stakeholder engagement' template for this Validation. Stakeholders consulted are not aware of breaches of the EITI Association code of conduct. The MSG's internal rules (Article 20) specify the level of per diems (*jetons de présence*) per category of participant at MSG meetings. While stakeholder consultations confirmed that this is followed in practice, the actual practice of per diem payments does not appear to be recorded in any public document on the EITI Burkina Faso website. MSG meeting minutes are available online but are not clearly indexed on the website, and thus hard to find.<sup>54</sup> Stakeholder consultations highlighted plans to change the legal status of the EITI to transform it into a government agency, although the earliest this would be taken forward would be 2024.

### New corrective actions and recommendations

- In accordance with Requirement 1.1, Burkina Faso's government should renew its commitment to the EITI's principles and objectives publicly through the media, and to operationalise this commitment by meaningfully engaging in multi-stakeholder discussions about all aspects of the governance of the extractive industries, particularly issues of public debate related to the mining sector. To strengthen implementation, the government could take concrete steps to systematically publish more data on the extractive industries on the websites of relevant government entities as a means of demonstrating its operational commitment to the EITI process.
- To strengthen implementation of Requirement 1.2, the industry constituency could consider reviewing its representativeness in terms of mirroring the different company actors in Burkina Faso. To further strengthen implementation, the industry constituency is encouraged to strengthen its outreach to members beyond the Chamber of Mines on EITI related issues.
- In accordance with Requirement 1.3, Burkina Faso should ensure that there are no government constraints on civil society's freedom of expression in relation to all aspects of the EITI process and public debate on extractive industry governance, including in all resource-rich regions of the country. The government should undertake measures to prevent civil society actors from being harassed, intimidated, or persecuted for expressing views related to oil, gas or mining governance. In the event that civil society actors engaged in the EITI experience threats or harassment for expressing views about the extractive industries or engaging in other EITI-related activities, the government is expected to undertake measures to protect these actors and their freedom of expression. The government and MSG are required to find pragmatic solutions to any practical constraints on civil society's ability to freely express themselves on all issues covered by the EITI process, including in regions hosting extractive activities. The MSG is encouraged to regularly monitor developments regarding civil society's ability to engage in the EITI. In accordance with the EITI protocol: Participation of civil society, civil society MSG members are encouraged to bring any ad hoc restrictions that could constitute a breach of the protocol to the

<sup>53</sup> Non-MSG members from civil society and companies confirmed that are consulted ad-hoc on the work plan and annual activity reports.

<sup>54</sup> The minutes are not indexed on a page, as are other document repositories (such as contracts, licences and decrees). They are accessible only through search. For accountability, the access of the minutes would benefit to be improved.

attention of the MSG. The government, in collaboration with the MSG, should document the measures it undertakes to remove any obstacles to civil society participation in the EITI. The civil society constituency is encouraged to strengthen its engagement with organisations and groups in mining regions to ensure the perspective of artisanal and small-scale miners from different mining regions are reflected in EITI implementation.

- In accordance with Requirement 1.4, Burkina Faso should ensure that the statutory procedures for nominating and changing EITI multi-stakeholder group representatives are public and implemented in a fair, open and transparent way in practice. Companies and the government constituencies are encouraged to improve the gender balance of their constituencies' representation on the MSG. The MSG is encouraged to consider the profiles of their MSG representatives in view of strengthening its efforts against corruption and to integrate the perspective of semi-mechanised and artisanal miners in EITI implementation objectives and activities. EITI-BF is encouraged to improve the accessibility of the MSG meeting minutes published on their website, for instance in a document repository.

## 4. Transparency

This component assesses EITI Requirements 2 to 6, which are the requirements of the EITI Standard related to disclosure.

### Overview of the extractive sector (Requirements 3.1, 6.3)

#### Overview of progress in the module

Burkina Faso has continued to use EITI Reports and its website as the central means of disclosures of the information on the extractive industries and their contribution to the economy. Access to geological information is systematically disclosed through BUMIGEB's website to assess Burkina Faso's mining potential. The report includes an overview of the industrial mining sector and formal artisanal mining sector to contribution to government revenues, employment (which are disaggregated by company and gender), to exports and an overview of key areas of mining activities. A recent statistical bulletin issued by the Ministry of Mines and Energy includes very timely data on industrial mining.<sup>55</sup> The country however has for at least three years not updated estimates on the informal artisanal and small-scale mining's activities, which is known to provide livelihoods for entire communities, present a source of conflict with semi-mechanised and large-scale mines. Informal mining is also known to cause significant health and environmental damage. Informally mined gold is known to be smuggled out of the country and be used for illicit financial flows. While there is a current study on illicit financial flows underway<sup>56</sup>, the ASM sector is in the secretariat's view inadequately covered both in terms of available data and objectives for EITI implementation (as noted under Requirement 1.5). Given the lack of more recent estimates, this has not had an impact on the assessment of the extractive industries' contribution to the economy but noted as a key issue.

#### Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

<sup>55</sup> See <http://www.bumigeb.bf/BUMIGEB/Pages/Actualites/aActualites.htm> and [http://www.bumigeb.bf/BUMIGEB/Pages/Apropos/bul\\_stat\\_s1\\_2022\\_mmc.pdf](http://www.bumigeb.bf/BUMIGEB/Pages/Apropos/bul_stat_s1_2022_mmc.pdf).

<sup>56</sup> Expected to be published in 2024, according to <https://itie-bf.bf/2023/03/24/Flux-financiers-il/>

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p><b>Exploration (Requirement #3.1)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 3.1 is fully met, as in the previous Validation. The objective to ensure public access to an overview of the extractive sector in the country and its potential, including recent, ongoing and planned significant exploration activities, is fulfilled.</p> <p>The 2020 EITI Report provides an overview of the extractive industries, through a table containing 13 mining projects in production phase and one project – the Orezone Bombore – at the development phase. For each project the date when production started, the number of years the mine is expected to last, the date the permit was granted, the surface of the project, the type of resources, and its localization. The report also provides current state – operations ongoing or stopped – of 30 mining deposits at operation phase and three companies at construction phase. In addition, a Geoportal<sup>57</sup> provides access to geological, geophysical and geochemical data on a map. It is publicly available on BUMIGEB's website and can be used to assess Burkina Faso's mining potential.</p> <p>Encouraged disclosures on reserves are published in the Report. Other encouraged disclosures such as a brief history of the extractive industries, information on other reserves and extractive commodities with significant economic potential and informal sector activities, including artisanal and small-scale mining potentials, are not disclosed.</p>
<p><b>Contribution of the extractive sector to the economy (Requirement #6.3)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 6.3 is fully met, as in the previous Validation. The objective to ensure a public understanding of the extractive industries' contribution to the national economy and the level of natural resource dependency in the economy is fulfilled and the publication of key data as recent as Q2 2022 is very encouraging and important to inform debate. While EITI Reports include a section on estimations of the informal sector, the same information has been included for the past four years. A more recent estimate – government or third party – is missing. While the new SOE ANEEMAS has gained a better understanding on ASM production and employment during the COVID-19 pandemic, this data has not been systematically captured or published.</p> <p>Burkina Faso's EITI Report and the national EITI website disclose data on the contribution of the extractive industries to the economy for 2020 as required. The number of employed persons in the extractive sector, by gender, and their percentage contribution towards total employment numbers, is also provided by the report. These figures are further disaggregated by company. The EITI-BF website contains two files for 2019 and 2020. The National Geological Survey entity (BUMIGEB) in December 2022 published key sector statistics as recent as Q2 2022<sup>58</sup>, a cross-government effort involving the EITI-BF Secretariat. The EITI Report and the cited bulletin include detailed gender</p>

<sup>57</sup> See <http://www.bumigeb.bf/BUMIGEB/Pages/Geoportail/Geoportail.html>

<sup>58</sup> See <http://www.bumigeb.bf/BUMIGEB/Pages/Actualites/aActualites.html> and [http://www.bumigeb.bf/BUMIGEB/Pages/Apropos/bul\\_stat\\_s1\\_2022\\_mmc.pdf](http://www.bumigeb.bf/BUMIGEB/Pages/Apropos/bul_stat_s1_2022_mmc.pdf) The data is not in open format – it's a scanned image.



	<p>disaggregated employment data – the bulletin provides an overview by project and company and suppliers and nationality.</p> <p>The estimate of the informal sector activity cited in the latest EITI report is the same as in the 2017 and 2018 Reports, and similar of the 2016 Report. According to the 2016 report mentioned as the first source, annual ASM production of gold is 9.35 tons while the 2018 report published by OECD mentions estimates from 20 to 25 tons per year. No other or more recent attempt to provide other methodologically sound estimate was made by the MSG for the period under review. Based on data from the Statistics Office (<i>Direction générale des études et des statistiques sectorielles</i> (DGESS)), the report provides an estimate of the number of workers in the mining sector including formal artisanal miners, but does not specify the proportion of informal artisanal miners. Stakeholder consultations indicated that ANEEMAS had insights on ASM employment and production volumes, which had been gained during the COVID-19 pandemic in 2020-2021 when the borders were closed for trade. However, the MSG’s comments on the draft Validation report categorically deny that ANEEMAS has any such estimates of ASM activities, as confirmed in an official letter from the Director General of ANEEMAS published on the EITI-BF <a href="#">website</a> that states that the most recent estimates of ASM activities date from 2016. There are important opportunities in ANEEMAS’ engagement with the ongoing EITI-BF study on ASM and illicit financial flows, ongoing since 2022.</p>
<p><b>New corrective actions and recommendations</b></p>	
<ul style="list-style-type: none"> <li>• To strengthen the implementation of Requirement 3.1, the MSG is encouraged to prepare and publish a brief history of the extractive industries in the country, which could also cover the potential of informal and small-scale mining.</li> <li>• To strengthen the implementation of Requirement 6.3, Burkina Faso is encouraged to use its EITI process to conclude on the ongoing study on artisanal and small-scale mining and the links to illicit financial flows, and to follow up on recommendations from the study, in collaboration with ANEEMAS. To strengthen implementation, BUMIGEB is encouraged to publish the data in the statistical bulletin regularly and in excel or another open format, as to facilitate the use of the published data. In doing so, it could build on the work stream on digital transformation led by the DGESS.<sup>59</sup></li> </ul>	

## Legal environment and fiscal regime (Requirements 2.1, 2.4, 6.4)

### Overview of progress in the module

Burkina Faso has begun to systematically disclose information on the legal framework for its mining sector, for example on the level of fiscal devolution.<sup>60</sup> Since the last Validation, most of the laws and implementing regulations related to mining are gathered in a compendium<sup>61</sup> available on the national EITI website. Indeed, the EITI-BF website contains a very comprehensive documentation section and a strong search function, which allows to access relevant laws, decrees and government communiques.<sup>62</sup>

<sup>59</sup> See

[https://www.mdenp.gov.bf/ministere/services/details?tx\\_news\\_pi1%5Baction%5D=detail&tx\\_news\\_pi1%5Bcontroller%5D=News&tx\\_news\\_pi1%5Bnews%5D=65&cHash=62bffd25e8a4fbc15c4bc5d3d9049bb](https://www.mdenp.gov.bf/ministere/services/details?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=65&cHash=62bffd25e8a4fbc15c4bc5d3d9049bb)

<sup>60</sup> [https://www.impots.gov.bf/fileadmin/user\\_upload/storage/fichiers/Loi-058-portant-CODE-GENERAL-DES-IMPOTS-final.pdf](https://www.impots.gov.bf/fileadmin/user_upload/storage/fichiers/Loi-058-portant-CODE-GENERAL-DES-IMPOTS-final.pdf)

<sup>61</sup> <https://itie-bf.bf/lois/>

<sup>62</sup> Up to 2023: <https://itie-bf.bf/?s=2023->

EITI implementation has led to the comprehensive disclosure of contracts and licenses through the EITI's website, in accordance with the 2015 Mining Code<sup>63</sup>, ensuring the availability of the full text of active mining permits.<sup>64</sup> These disclosures include contracts signed before January 2021 and present a significant effort to publish the permits and contracts. A contract and licences inventory, tracking the existing permits granted and contracts entered and/or modified/renewed is not yet available and would be needed to fulfil the underlying objective of this requirement.

Burkina Faso has not yet expanded the scope of its EITI implementation to cover the management of environmental impacts of the extractive industries in practice, despite significant public interest in the topic and some disclosures from government agencies. Recurring weaknesses in the monitoring of environmental impact have also been pointed out in the public debate and an excellent audit report by the Supreme Audit Institution.<sup>65</sup> There is scope for Burkina Faso to use the EITI as a monitoring tool, to ensure that the recommendations of the SAI are implemented. EITI could further build on its convening power to work with relevant government entities including the Ministries directly involved in the EITI process to strengthen their activities on legal, fiscal and environmental provisions related to the extractive industries, including ongoing or planned reforms.

### Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p><b>Legal framework and fiscal regime (Requirement #2.1)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 2.1 is fully met, as in the previous Validation, with scope to be upgraded to exceeded with more sources of systematic disclosures of information, for instance on on-going and planned reforms.</p> <p>While government websites provide some of the information in a dispersed manner, Burkina Faso has addressed all aspects of this requirement through EITI reporting, by providing summaries and descriptions of the legal environment and fiscal regime for the extractive sector, including the roles of government entities, the level of fiscal devolution and ongoing of planned reforms in its mining sector. EITI-BF's website holds many of the decrees and laws that are relevant for EITI implementation.<sup>66</sup> The MSG's comments on the draft Validation report argued for an upgrade in the assessment to 'exceeded', based on the view that the majority of information mandated by Requirement 2.1 were systematically disclosed on government websites. The Secretariat recognises this progress but notes that much of the information on fiscal devolution and ongoing and planned reforms remains only disclosed through EITI reporting and the EITI-BF website, rather than on the websites of relevant government entities.</p> <p>To note, the overview of reforms that took place in 2020 includes a reference (among others) to decree 2020-0790 putting in place a committee for the follow-up on the respect for human rights in the mining sector. Every mining</p>

<sup>63</sup> <https://itie-bf.bf/download/loi-n0362015-cnt-portant-code-minier-du-burkina-faso-du-29-octobre-2015/>

<sup>64</sup> <https://itie-bf.bf/#>, Publication section. <https://itie-bf.bf/#>, Publication section.

<sup>65</sup> <https://minesactu.info/2023/01/18/exploitation-miniere-les-manquements-en-matiere-de-protection-de-lenvironnement-2-3/>

<sup>66</sup> <https://itie-bf.bf/lois/>, <https://itie-bf.bf/decrets/> and <https://itie-bf.bf/arretes/>

	<p>project is to have such a committee.<sup>67</sup> For 2021, the ministerial decree 2021-1142 was put in place setting the minimum conditions for local content in the mining sector. <sup>68</sup> Both decrees implement provisions foreseen by the 2015 Mining Code.</p> <p>The Council of Ministers announced on 7 December 2022 that a revision of the 2015 Mining Code was foreseen.<sup>69</sup></p>
<p><b>Contracts (Requirement #2.4)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat’s assessment is that Requirement 2.4 is mostly met. Many contracts, including pre-dating 1 January 2021, and all licenses seem to be published according to the law, which explicitly mandates the publication of licenses and contracts. Burkina Faso did not maintain an overview of all active contracts during the period reviewed by the draft Validation report, but the MSG published a <a href="#">list</a> of active licenses and contracts at end 2022 during the period for comments on the draft Validation report. However, the Secretariat’s document review indicates that not all contracts since 1 January 2021 appear to have been published yet.</p> <p>Article 15 of the 2015 Mining Code explicitly mandates the publication of all mining licences and contracts via the official gazette (Journal officiel). As the gazette is not available electronically<sup>70</sup> EITI-BF has published licences and contracts on the EITI national website.<sup>71</sup> A sample check showed that the full text of some licences that were allocated in December 2022 and January 2023 (as listed in the online cadastre) have been published on the Burkina Faso website. All extractives contracts except for one appear to include all annexes (for those checked). Disclosures include contracts and licenses signed before January 2021, dating back to 2003. Most contracts include the licence as annex, but licences are published separately as well on the EITI-BF website. A comparison between the list of active mines published in the statistical bulletin in December 2022 and the list of published contracts on EITI-BF show that 18 contracts of the 27 active mining projects have been published. There is no evidence that the MSG has considered the materiality of exploration licenses, although the Secretariat notes that the government’s disclosure policy covers both exploration and production rights. In its comments on the draft Validation report, the MSG highlighted the publication of the 18 contracts on the EITI-BF website, and noted that all contracts and licenses had been published in the official gazette. While the Secretariat recognises the EITI-BF work in improving access to the 18 key mining contracts, it has also faced challenges in accessing the full text of other mining licenses and contracts published in the official gazette (<i>journal officiel</i>).</p> <p>Several of the mining sites listed as active have expired permits. These could have been renewed, but this is not reflected in the cadastre or the published contract. The 2021 contract disclosure plan<sup>72</sup> presents a costing of the activities that led to the disclosure of the full text of licenses and contracts to the EITI-BF website, and the result is a rich compilation of documents. However, the plan does not include a list or an overview of all contract and licenses</p>

<sup>67</sup> Available <https://itie-bf.bf/download/decret-n-2020-0790-pres-pm-mmc-mdhpc-minetid-du-24-septembre-2020-portant-dispositif-de-prevention-et-de-reparation-des-violations-des-droits-humains-des-communautes-affectees-enregistrees-dans/> text of the decree is not yet available on the EITI-BF website. It is referenced in the work plan and the annual progress report.

<sup>68</sup> Available <https://itie-bf.bf/download/decret-n2021-1142-portant-fixation-des-conditions-de-la-fourniture-locale-dans-le-secteur-minier/>

<sup>69</sup> See <https://libreinfo.net/burkina-faso-revision-du-code-minier-quest-ce-qui-doit-changer/>

<sup>70</sup> Earlier attempts to publish these have not been continued. <https://www.sggcm.gov.bf/actualites/journal-officiel>

<sup>71</sup> <https://itie-bf.bf/conventions-minieres/> <https://itie-bf.bf/conventions-minieres/>

<sup>72</sup> See [https://www.itie-bf.gov.bf/IMG/pdf/version\\_finale\\_plan\\_divulgation\\_2021.pdf](https://www.itie-bf.gov.bf/IMG/pdf/version_finale_plan_divulgation_2021.pdf)

	<p>currently active or identify what amendments have been made to which contracts and licenses. This represents an obstacle to the overall objective of ensuring the public's understanding of the contractual rights of extractive companies, particularly considering the high amount of awards/cancellation of mining rights in the country.</p>
<p><b>Environmental impact (Requirement #6.4)</b>  <i>Not assessed</i></p>	<p>The Secretariat's assessment is that Requirement 6.4 remains not assessed, given that several encouraged aspects of this requirement remain to be addressed by Burkina Faso EITI.</p> <p>The legal framework relative to environmental management is addressed in the 2020 EITI Report and the environmental contributions are published, including the procedures for Environmental Impact Assessments. The Agency responsible for the monitoring of environmental<sup>73</sup> impact website does not seem to be available. However, relevant legal documents and procedures as well as reports are published on a <a href="#">dedicated section</a> of the portal of the EITI, in an attempt to facilitate public access. It includes environmental impact studies, the environmental and social management plan for six mines, as well as the audits of these plans performed between 2018 and 2020. There is additional evidence of public disclosure of the evaluations performed on environmental impacts of extractive projects and the monitoring of extractive companies' environmental obligations in practice, such as the 2021 Audit Report performed by the supreme audit institution (SAI or Cour des Comptes) on the environmental rehabilitation of industrial mining sites.<sup>74</sup> The three key findings are firstly, that the ministry in charge of the environment has not put in place functioning and mechanisms in place to ensure the effective issuance of environmental feasibility opinions (avis sur la faisabilité environnementale (AFE)). The SAI recommends to make all relevant documentation publicly available. Secondly the report finds that The ministry of Environment, Mines and Territorial authorities have not set up functioning mechanisms to monitor companies' Environmental and Social impact management plans (Plan de gestion environnementale et sociale (PGES)), and that those plans are not publicly available. Thirdly, the SAI finds that the different bodies charged with overseeing mine site closures are understaffed to effectively carry out their duties.</p> <p>According to the 2020 EITI Report, the environmental expenditures are limited to the payments made to the closing and rehabilitation fund of mining sites (Fonds de Réhabilitation et de fermeture des mines), seven companies having contributed for a total of XOF 19 million. It remains unclear why only seven out of 18 material mining companies made actual payments in 2020 to the fund.</p>
<p><b>New corrective actions and recommendations</b></p>	
<ul style="list-style-type: none"> <li>To strengthen implementation of Requirement 2.1. Burkina Faso is encouraged to strengthen its use of EITI disclosures to track ongoing and planned reforms in the legal framework and fiscal regime for the extractive industries. It could also consider ways of further expanding government systematic disclosures of this information, including on ongoing reforms.</li> </ul>	

<sup>73</sup> The Agency responsible for the environment regulation, Bureau National des Etudes Environnementales (BUNEE) changed name in 2020, and is now named Agence National des Evaluations Environnementales (ANEVE).

<sup>74</sup> See [https://www.cour-comptes.gov.bf/fileadmin/user\\_upload/storage/fichiers/Rapports\\_publics\\_CC/Rapport\\_final\\_d\\_audit\\_surv.pdf](https://www.cour-comptes.gov.bf/fileadmin/user_upload/storage/fichiers/Rapports_publics_CC/Rapport_final_d_audit_surv.pdf), also available on the EITI-BF website

- In accordance with Requirement 2.4, Burkina Faso should disclose the full text of all contracts and licenses, including material exploration contracts granted, entered into or amended from 1 January 2021 including annexes, riders. In addition, Burkina Faso should maintain an overview of all active contracts and licenses publicly available, including exploration contracts, indicating which contracts and licenses are publicly available and which are not (yet), with the specific links to each published license and contract.
- To strengthen implementation of Requirement 6.4, Burkina Faso is encouraged to review the actual practice related to environmental management of extractive activities, such as the payments made to the rehabilitation fund. There is opportunity for Burkina Faso to use the EITI as a monitoring tool for the recommendations of the SAI are being followed up upon, and thereby decreasing the environmental and social impacts on mining sites to the mining communities.

## Licenses and property rights (Requirements 2.2, 2.3)

### Overview of progress in the module

There is a diversity of stakeholders engaged in extractive activities in Burkina Faso, including extractive companies duly licensed by the national government, artisanal miners, and, in some areas, armed groups controlling artisanal mining sites.<sup>75</sup> Cognisant of the large informal gold sector and the semi mechanised nature of some mining activities categorised as ‘artisanal’, the government has been implementing a strategy to formalise mining activities by creating the ANEEMAS. With almost 700 official active mining permits (almost half of which have expired in the meantime, but remain “valid”) and more than 500 awards and transfers currently being processed in the formal sector in areas under the government’s control, Burkina Faso authorities are responsible for overseeing a dynamic mining sector.<sup>76</sup> An audit report by the Supreme Audit Institution on the award and transfers of gold exploration licenses for the period 2017-2020<sup>77</sup>, and a report from 2022 issued by the technical inspection service of the Ministry of Mines, noted several weaknesses in the awards of exploration licenses, some of which were also identified in the 2020 EITI Report. Even though stakeholders from civil society, companies and government did not identify licence allocation as a key area of concern, there is ample evidence that there are governance weaknesses that would deserve closer attention. One important improvement since the last Validation is the introduction of a digital cadastre that publishes licence status in real-time. However, there are inconsistencies in data between the EITI Report and the cadastre, and the cadastre is missing some key information, such as the names of companies that have transferred their licence. According to the 2020 EITI Report, there is a review underway of the decree that codifies the license award process, an opportunity for EITI-BF to influence reform.

### Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective	Summary of progress in addressing the EITI Requirement
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<sup>75</sup> See Annex B for additional context.

<sup>76</sup> . It is to note that since the second coup in September 2022, 16 licences were allocated. None have been allocated since 6 January 2023. As of 14 March 2023. Source: online cadastre, filter by most recent grant date: <https://www.cadastreminier.bf/eMC/#c=License&a=Valid&postData.filters=%7B%22groupOp%22%3A%22AND%22,%22rules%22%3A%5B%7B%22field%22%3A%22TypeId%22,%22op%22%3A%22eq%22,%22data%22%3A%220%22%7D,%7B%22field%22%3A%22StatusId%22,%22op%22%3A%22eq%22,%22data%22%3A%220%22%7D%5D%7D&sortname=GrantDate&rowNum=100>

<sup>77</sup> See [https://www.cour-comptes.gov.bf/fileadmin/user\\_upload/Rapport\\_definitif\\_d\\_audit\\_conformite\\_gestion\\_PR\\_2017\\_2020\\_adopte\\_en\\_chambre\\_def\\_2\\_1\\_04\\_2022\\_1.pdf](https://www.cour-comptes.gov.bf/fileadmin/user_upload/Rapport_definitif_d_audit_conformite_gestion_PR_2017_2020_adopte_en_chambre_def_2_1_04_2022_1.pdf)

action and assessment	
<p><b>Contract and license allocations (Requirement #2.2)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 2.2 is mostly met, which represents backsliding compared to the previous Validation. While the descriptions of procedures and licence types are comprehensive in the 2020 EITI Report, the EITI's review of material deviations from the applicable legal and regularly framework builds on the work on statutory audit institutions but has not yet been expanded to cover all types of extractive licenses both awarded and transferred in the period under review. More recent audit findings point to underlying governance issues that could be addressed by EITI implementation, given extensive non-trivial deviations from statutory procedures in the awards of gold exploration licenses in particular.</p> <p>The 2020 EITI Report notes that formal licence allocations and transfers are governed by the Mining Code and by Decree 2017/036 of 26 January 2017 on licence allocation. Mining licences in Burkina Faso are awarded on a first come first serve basis by the DGMG. The MSG comments on the draft Validation report clarify that the award of mining licenses can be based on either a Decree agreed by the Council of Ministers or by order (<i>arrêté</i>) of the Minister of Mines. ANEEMAS also signs agreements with artisanal miners, although the MSG comments on the draft Validation report clarify that these agreements with ANEEMAS relate to management conventions to better oversee artisanal miners, rather than authorisations for artisanal mining activities. The 2020 EITI Report notes that 151 licences were allocated in 2020.<sup>78</sup> All licenses awarded in 2020 are listed in Annex 18 of the 2020 EITI Report. The 2020 EITI Report notes that two production licenses, two industrial exploration permits, and one quarrying license were transferred or withdrawn.</p> <p>On technical and financial criteria, the EITI Report lists the minimum statutory documents required for awards of exploration permits, industrial small and large-scale mining permits, semi-mechanical artisanal permits, quarrying permits and in the case of competitive bidding. It is noted that exploration permits are subject to verification of the number of exploration licenses held by the applicant, with a maximum of three licenses for natural persons and seven licenses for legal entities. The 2020 report notes that other than the payment of taxes and administrative fees, no precise technical or financial criteria are considered when approving license awards and transfers in Burkina Faso. This was confirmed by several stakeholders during consultations. In its comments on the draft Validation report, the MSG confirms that the only technical and financial criteria that are statutorily defined are those in the technical mining license award guide published on the EITI-BF <a href="#">website</a>. The National Mines Commission, which is in principle responsible for examining applications and giving technical advice, does not publish its work or any summary of the analyses of the feasibility studies (financial, technical, project analysis) submitted to them for license applications, as only reports on environmental impact studies are made available to the public. The MSG's comments on the draft Validation report argue that the EITI Standard does not require the publication of the National Mines Commission's work. Rather, the National Mines Commission's work is described as an intermediary step, which leads to the award of mining licenses that are then publicly disclosed once awarded.</p>

<sup>78</sup> no production licenses, 128 exploration licenses, 17 quarry production licences, four ASM licences, one semi-mechanised license and one prospection license

	<p>On transfers, there are no details in the EITI Reports on the companies that transferred licences or the names of the companies to whom each licence was transferred. The names of the transferees are indicated on the open data portal<sup>79</sup> for 2021, but not for the year under review. In the online cadastre, under the tab “Transactions” it is possible to filter by type “transfer” and status “application granted”, but the information shown does not display the companies involved in the transaction. However, during the period for MSG comments on the draft Validation report in July 2023, the EITI-BF <a href="#">website</a> published a list of mining licenses that were transferred in the period 2020-2023, including the license name and names of companies transferring and receiving each license.</p> <p>On renewals, while the report lists 91 renewals, the online cadastre lists 71, an apparent inconsistency. However, the MSG’s comments on the draft Validation report argue that such comparisons are not based on correct information, given that the dates of actual license renewals and transfers are not publicly accessible from the online cadastral portal, which only provides the dates at which such renewals and transfers are requested (not the final renewal or transfer decision date). Thus, the MSG comments confirm that the number of 91 renewals quoted in the EITI Report is correct. The draft Validation report also highlighted news reports regarding the transfers of mining licenses to the Turkish company Afro Turk for the manganese site Tambao and the gold mine Inata, which were not documented in the cadastre.<sup>80</sup> However, the MSG’s comments on the draft Validation report explain that the March 2023 decision by the Council of Ministers consisted of an agreement to the transfer of these mining assets, but that the subsequent license award process was only concluded in late June 2023, after which the two license awards were duly recorded in the mining cadastre.</p> <p>The 2020 EITI Report, as well as an audit report by the Supreme Audit Institution<sup>81</sup> on gold exploration licenses and a Technical General Inspectorate report<sup>82</sup>, note several deviations from the statutory procedures for the awards, transfers and renewal of licenses. It is to note that the sample reviewed in the EITI Report did not cover licence renewals (91 renewals vs 128 awards). The deviations listed relate to delays in the processing of applications, overlaps in licenses awarded, the lack of monitoring of the mining activities and the partial collection of revenues from these activities. These shortcomings are often noted as a consequence of the high volume of licence applications, renewals and transfers in the country coupled with inadequate financial and human resources at the Ministry and its cadastre department. It is not clear how beneficial owners of companies could be assessed in the current set-up (see Requirement 2.5). The MSG’s comments on the draft Validation report argue strongly that the publication of the results of the review of licensing practices related to gold exploration licenses was sufficient to meet EITI Requirement 2.2.a.iv on the</p>
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<sup>79</sup> <http://portail.itie.gov.bf/dataset/cessions-de-titres-miniers-et-autorisations>

<sup>80</sup> See news item here: <https://www.agenceecofin.com/manganese/0203-106056-burkina-faso-le-gouvernement-autorise-la-societe-afro-turk-a-exploiter-le-manganese-de-tambao> The transaction took place on 1 March 2023. According to the cadastre, the Inata gold mining licence is valid until 25 May 2027 and held by Societe des Mines de Balahouro (SMB) SARL. The Tambao licence nr 645 which was removed from Pan African Minerals is noted to have “expired” in 2018. There are no minerals associated with the licence record. See <https://www.cadastreminier.bf/emc#c=License&a=Details&i=3281> According to the above news item, Kaboré withdrew the exploitation rights from the company Pan African Minerals, owned by the Australian-Romanian businessman Frank Timis in 2018.

<sup>81</sup> See [https://www.cour-comptes.gov.bf/fileadmin/user\\_upload/Rapport\\_definitif\\_d\\_audit\\_conformite\\_gestion\\_PR\\_2017\\_2020\\_adopte\\_en\\_chambre\\_def\\_2\\_1\\_04\\_2022\\_1.pdf](https://www.cour-comptes.gov.bf/fileadmin/user_upload/Rapport_definitif_d_audit_conformite_gestion_PR_2017_2020_adopte_en_chambre_def_2_1_04_2022_1.pdf)

<sup>82</sup> Ministry of mining and quarrying, technical inspection, covering 23 March to 22 April. Accessed via <https://itie-bf.bf/download/rapport-definitif-du-controle-administratif-de-la-direction-generale-du-cadastre-minier-dgcm-gestion-2021-2022/>

	<p>assessment of non-trivial deviations from statutory procedures in licensing practices.</p> <p>Consulted stakeholders did not express any concerns over any governance challenges in licencing practices, other than some industry stakeholders' concerns over the perception of the administrative process for awarding licenses being excessively time-consuming. The Independent Administrator noted several weaknesses regarding the efficiency of the system of granting these permits, namely a lack of criteria on the technical and financial capacity of the applicant to meet the expected expenditure to implement the work plan and achieve the desired results of the activity in question, and the mass granting of research permits against a limited granting of production licenses. Nonetheless, the MSG's comments on the draft Validation report argue strongly that EITI reporting has provided a sufficient review of non-trivial deviations from statutory licensing procedures in practice. The Secretariat welcomes the publication of the SAI's audit report on gold exploration licensing practices, but highlights the need for the EITI reporting process to provide an assessment of non-trivial deviations in the awards and transfers of all types of extractive licenses in the period under review. While the EITI process building on the statutory controls by audit authorities is welcomed as an example of good practice, the review of licensing practices should be broadened to cover all types of extractive licenses awarded and transferred in the period under review by each EITI reporting cycle.</p> <p>The above-mentioned reports carry important information on the weaknesses of licence allocations and transfers. Given that the 2017-036 decree is currently under review, there is scope for the EITI to seize this opportunity to strengthen the licence allocation system which can be administered by the resources available. EITI-BF may consider with stakeholders how the checking of legal and beneficial owners of licence applicants can be integrated to the administrative workflow, given that currently there are no plans to make beneficial ownership data accessible digitally (through a database) (see <i>Requirement 2.5</i>). The MSG's comments on the draft Validation report reject the reference to beneficial ownership disclosures in relation to the license allocation process, arguing that the assessment of beneficial ownership disclosures should be confined to the assessment of Requirement 2.5.</p> <p>On contract awards, the 2020 EITI Report lists the conditions for the signature of a contract and provides a list of active contracts. None was concluded in 2020. It is not clear if any of the terms of the contracts were altered in the period under review (see <i>Requirement 2.4</i>). The MSG's comments on the draft Validation report strongly reject the allegation of opacity in the management of mining contracts in Burkina Faso, arguing that there were no amendments to mining contracts in 2020.</p>
<p><b>Register of licenses (Requirement #2.3)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 2.3 is fully met, as in the previous Validation. Most stakeholders consulted were broadly satisfied with the availability of mining license and contract information. The online mining cadastre is an improvement on previous years. The Secretariat's view is that the comprehensiveness and reliability of the mining cadastre could be improved, including by following up on audit findings from the Supreme Audit Institution (<i>Cour des Comptes</i>), but that the information listed under Requirement 2.3.b appears to be available for all active extractive licenses.</p> <p>The Ministry of Mines and Energy has deployed an online cadastre which provides all information listed under Requirement 2.3.b. Application dates are</p>



	<p>not part of the license record, although they are listed in the view “Applications” as “Registration date”.<sup>83</sup> The availability of the application date in the cadastre is an improvement on the past Validation. Detailed views on the licence (without application date) and list of licences can be downloaded in PDF. Dates of award and expiry are now available for each license on the online mining cadastre<sup>84</sup>, which is an improvement since the previous Validation. However, the online cadastre is very slow to load data and view individual records. The MSG’s comments on the draft Validation report argue that the speed of loading of license data should not affect the assessment of data available on the cadastral portal, which the Secretariat agrees with.</p> <p>While there are some minor information gaps in the 2020 EITI Report, including the lack of information on the awarding Decree for one exploration license and missing dates of application for six (out of 128) licenses, the Secretariat’s view is that these are not material gaps. Indeed, the MSG’s comments on the draft Validation report highlight the publication of the dates of expiry of all 317 mining licenses and authorisations active as of end-2022 on the EITI-BF <a href="#">website</a>, published in July 2023 during the period for MSG comments.</p> <p>However, the timeliness of the cadastre is questioned by the Cour des Comptes <a href="#">audit on gold exploration license awards</a>, spot checks and consultations with various stakeholders indicated that at least one mining license owned by Wahgnion Gold Operations, a material company, was missing from the cadastre. However, the MSG’s comments on the draft Validation report highlight that the Wahgnion license is in fact recorded in the mining cadastre under the <a href="#">code 735</a>. In addition, of the 683 valid licences listed, 317 have already expired but continue to be marked as “valid”, which appeared to raise questions about the reliability of the information contained in the cadastre. However, the MSG’s comments on the draft Validation report highlight the dynamic nature of the mining cadastre, which is updated following each new licensing activity, noting for example that there were 697 active mining licenses as of 4 July 2023, compared to the 683 mining licenses noted as active when the draft Validation report was being prepared.</p> <p>It was also brought to the attention of the Secretariat that the permits operated by the SEPB were not yet recorded in the cadastre. With its phosphate activity dating from 1978, the SEPB is currently operating without an exploitation permit. The SOE has sustained a dialogue with the EITI and the relevant ministries to formalise its activity, which includes the additions of its permits to the register of licenses. The MSG’s comments on the draft Validation report explain that SEPB does not feature in the mining cadastre because it does not hold any active production licenses (exploitation permits), but notes that the SOE is in the process of regularising its situation (presumably through the award of a production license), as described in a November 2022 letter published on the EITI-BF <a href="#">website</a> in July 2023 during the period for MSG comments.</p>
<b>New corrective actions and recommendations</b>	
<ul style="list-style-type: none"> <li>• In accordance with Requirement 2.2, Burkina Faso should ensure that the deviations from statutory procedures in the awards and transfers of extractives licenses in practice are comprehensively reviewed and disclosed, covering all types of extractive licenses awarded and transferred during the period reviewed by each EITI reporting cycle. To strengthen</li> </ul>	

<sup>83</sup> See <https://www.cadastreminier.bf/emc#c=Application>

<sup>84</sup> Accessed here, 21 January 2023

implementation, Burkina Faso EITI is encouraged to build on the recent performance reviews by the technical inspector and the Supreme Audit Institution to inform the ongoing review of the 2017-36 decree, setting out the criteria for licence allocations, in view of making the system less prone to inefficiencies.

- To strengthen implementation in line with Requirement 2.3, Burkina Faso is encouraged to review the comprehensiveness and reliability of license information available in its mining cadastre to ensure that the information included is up to date and reliable. Burkina Faso is encouraged to ensure the latest licence allocations, transfers and renewals are reflected in the online cadastre in a timely manner, and that the load time and data access options be improved to facilitate analysis.

## Beneficial ownership (Requirement 2.5)

### Overview of progress in the module

Adherence to the full scope of Requirement 2.5 on beneficial ownership is assessed in Validation as of 1 January 2022 as per the framework agreed by the Board in June 2019.<sup>85</sup> The assessment consists of a technical assessment and an assessment of effectiveness.

#### *Technical assessment*

The technical assessment is included in the Transparency template, in the tab on Requirement 2.5. Given that this Validation is conducted under Phase 2 of the beneficial ownership Validation framework, there are significant aspects of Requirement 2.5 that remain outstanding.

Burkina Faso has established an enabling legal and regulatory environment for the collection, but not the full public disclosure (without any barriers to access), of beneficial owners by enacting two decrees on beneficial owners in the period under review. A first decree in 2021 (2021-0493) required all companies owning interests in companies holding or applying for extractive licenses to disclose their beneficial ownership. The decree was revised by a second decree in 2022 (2022-234) extending this obligation to companies operating in all sectors of the economy. The main reason was that in February 2021, Burkina Faso made a high-level political commitment to work with the FATF (Financial Action Task Force) and GIABA (*Groupe Intergouvernemental d'Action contre le Blanchiment d'Argent en Afrique de l'Ouest*) to strengthen the effectiveness of its anti-money laundering regime. Maintaining comprehensive and updated beneficial ownership information and strengthening the system of sanctions for violations of transparency obligations are parts of the country's engagements vis-à-vis the two inter-governmental institutions. In addition to the decree, Burkina Faso's revenue authority asks companies to submit their beneficial ownership information as part of their annual filings.

The 2022-234 decree contains a definition that is aligned with Requirement 2.5.f.i and that takes international norms and relevant national laws into account. It specifies reporting obligations for politically exposed persons (PEPs). A joint template was agreed for the declaration of beneficial owners to the EITI BF, the Trade court, and the Revenue authority. Once rolled out and used effectively, it will allow the collection of high-quality data.

At the commencement of Validation, only data collected through EITI reporting on beneficial ownership (2020 Report) was publicly available, with gaps on the non-listed companies (5 out of 17). Legal owners are only accessible for material companies as of 2020. The MSG's comments on the draft Validation report note that some 2000 companies across all economic sectors have reported their beneficial ownership information to the government, although EITI-BF has only published an assessment of the comprehensiveness and reliability of beneficial ownership data collection and disclosure for the material

<sup>85</sup> <https://eiti.org/document/assessing-implementation-of-eitis-beneficial-ownership-requirement>.

companies included in the scope of EITI reporting, not all companies holding or applying for extractive licenses.

EITI-BF played a driving role in developing legislation related to the mining sector, but also led the development of the data collection template.

#### *Assessment of effectiveness*

Although enacted, the legislation mentioned above is yet to be enforced and has at the time of Validation not yet yielded submissions from all companies holding or applying for extractive licenses. Stakeholders indicated that outreach efforts were needed to familiarise companies with the concept of beneficial owners and to provide guidance in filling out the form before any penalties are applied. The MSG had put in place a work plan on the operationalisation of beneficial ownership in 2019, including the monitoring and strengthening of beneficial ownership disclosures and a committee was put in place to supervise its implementation. It is unclear what the status of the work plan is as of 2023 based on public documents. However, the MSG's comments on the draft Validation report note that some 2000 companies across all economic sectors have reported their beneficial ownership information to the government, even if this information is only available upon "justified" request. On the submitted information from reporting companies, there is no evidence besides the gap analysis in the 2020 report that the MSG has discussed gaps and weaknesses of the submissions, or the efforts needed to improve the number of submissions. The MSG's comments on the draft Validation report argue that the MSG has reviewed the status of beneficial ownership data collection and disclosure as part of each EITI reporting cycle since 2019. However, this review appears to only have covered those material extractive companies included in the scope of EITI reporting, not all companies holding or applying for extractive licenses.

Stakeholder consultations raised several concerns on the effectiveness of implementing this requirement, in view of achieving the objective of understanding who owns companies that apply for, or hold, licences. Firstly, despite the mentioning of a digital register in the decree, so far only a paper-based register seems to be implemented. The MSG's comments on the draft Validation report highlight ongoing plans for the government to launch a public beneficial ownership register accessible online, although the timeline for launching such a public register remains unclear. Even though government entities have free access to the records of the commercial register, it is not clear from consultations with government entities how the information will be shared effectively to inform the licence allocation process, even if this is not a strict requirement of the EITI Standard. This is of concern because the cadastre seems to have hundreds of applications pending. The MSG's comments on the draft Validation report highlight plans to reform the Mining Code to establish an enabling legal framework for the collection of beneficial ownership data as part of the licensing process, and notes that the Ministry of Mines is already "taking account" of this need pending finalisation of the Mining Code reforms. Furthermore, it is not clear if there will be a comparison of declaration between the Tax Office (Revenue Authority) and the commercial register, the latter being the institution charged with holding the beneficial ownership register. Consultations found that the Tax Office requests the annual submission of beneficial owners with companies' financial statements, but there is the risk that different government entities hold conflicting information on the same company, if the data cannot be checked against a digital system.

EITI-BF can play an important role to ensure that the beneficial ownership legislation is implemented in view of fulfilling the purpose: to check information on the ownership of mining companies before licenses are allocated, to monitor the reliability and comprehensiveness of information disclosed, and to share the information on beneficial owners in a way that is directly accessible to the public (through systematic disclosures or EITI reporting) and other government institutions.

#### **Progress by requirement and corrective actions**

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p><b>Beneficial ownership (Requirement #2.5)</b></p> <p><i>Partly met</i></p>	<p>The Secretariat’s assessment is that Requirement 2.5 is partly met. Stakeholders consulted considered there were important improvements achieved in the past three years and that the objective of this requirement is mostly fulfilled. The MSG’s comments on the draft Validation report reiterate the MSG’s view that the objective has been mostly met. The Secretariat’s view is that, while an enabling legal and regulatory environment for the collection of beneficial owners for all extractives companies has been put in place and is in the early stages of implementation, the objective is not yet met given the lack of systematic collection and disclosure of legal and beneficial owners of companies applying for and holding extractives licences. Indeed, the MSG’s comments on the draft Validation report note that beneficial ownership information has not yet been collected from companies applying for extractive licenses given the lack of an enabling legal framework for the collection of such information at the application stage, which the MSG explains is one of the reasons for the ongoing reforms of the Mining Code. Nonetheless, in the interim, the MSG’s comments note that the Ministry of Mines is “taking account” of the need to collect beneficial ownership information as part of the license award process, even if the Secretariat is not able to access any such beneficial ownership information collected to date. Furthermore, the underlying objective is not met since public access to records is only given if “legitimate interest” can be demonstrated. Besides the review in the EITI Report of ownership disclosure by the selection of companies covered by the EITI Report, there is no review by EITI-BF of the status or risk-based approach of beneficial ownership data collection and disclosure. Few material companies submitted the requested ownership information for the 2020 EITI Report.</p> <p>Burkina Faso EITI has been a key driver in the formulation and implementation of legal reform. The MSG has agreed a definition of the term beneficial owner within Decree No. 2021-0493 promulgated on 7 June 2021. This decree was specific to the extractive sector and created a declaration requirement for companies applying for licenses, owning shares in companies applying for licenses and holding licenses. The decree instituted a register of beneficial owners lodged at Ouagadougou’s Trade Court, as well as a parallel register of beneficial owners lodged within each applicable company. The Trade Court’s register of beneficial owners is accessible to the public without any fee, but the information is only disclosed if the request to the judge is justified and supported by legitimate interest for accessing the data. The 2022 decree extended the requirement for ownership disclosures to all companies. The threshold for disclosing beneficial ownership information is set at 25% in all economic sectors. The principle of a national register of beneficial owners lodged at Ouagadougou’s Trade Court is maintained, alongside the requirement for companies to maintain updated beneficial ownership information on their own companies. The definition of beneficial owner is aligned with Requirement 2.5.f.i and takes international norms and relevant national laws into account. It specifies reporting obligations for PEPs (article 13).</p> <p>The 2022 decree requires the establishment of a national register of beneficial owners within the trade court (article 4)), to be monitored by the judge in charge of the commercial register (RCCM). The accuracy of the beneficial ownership information to be provided is, according to the decree, assessed by the</p>

	<p>authorities of the trade register. The 2022 budget requires companies registered in Burkina Faso to submit their beneficial ownership information with their annual tax filings. It also contains a provision for a penalty of XOF 500,000 for the failure to declare. It further states that companies must maintain updated records of their beneficial owners and present the information on request. At the initiative of EITI-BF a joint template was agreed for the declaration of beneficial owners, the Trade court and the tax office. The MSG's comments on the draft Validation report highlight reforms to the General Tax Code (Articles 96.1-96.5) following the enactment of the 2023 government budget (<i>loi des finances</i>), which the MSG explains reinforced provisions for the identification and disclosure of beneficial owners of companies. The MSG's comments emphasise the obligation for all companies to report their beneficial ownership information as part of their tax reporting obligations, with 2000 companies across all economic sectors having reported such information to the Tax Department to date.</p> <p>Burkina Faso's beneficial ownership road map covering 2016-2019 was adopted by the MSG in 2016, with another one published in December 2019 covering 2020-2022.<sup>86</sup> The 2021 progress report<sup>87</sup> indicates that the MSG had discussions to draft and comment on the 2021 decree on beneficial ownership before it was approved by the Council of Ministers. A workshop was organised in July 2021 to raise awareness and support the implementation of the new decree on beneficial ownership. The 2022-2024 work plan contains activities on beneficial ownership transparency, consisting in disseminating the decree and extending beneficial ownership disclosure to other sectors. The MSG continued to play an active role in 2022 by discussing and approving the beneficial ownership templates to be used as per the 2022 decree.</p> <p>With regards to broader beneficial ownership disclosures, in December 2022 the judge in charge of monitoring the register of beneficial owners within Ouagadougou's trade court officially requested all companies to declare their beneficial owners to the register, regardless of their sector of activity.<sup>88</sup> The request of information requires a form to be filled, which includes the identity of the beneficial owner(s), including nationality, country of residence, and identification of politically exposed persons, the level of ownership and details about how ownership or control is exerted. The MSG's comments on the draft Validation report also confirm that the beneficial ownership reporting templates for the 2020 EITI Report explicitly required information on any politically exposed persons. With regards to public access, the 2022 decree stipulates that beneficial ownership information is accessible for free, albeit based on legitimate interest only. This implies that beneficial ownership information is not foreseen to be freely available online, without the need for specific requests to access the data. Government entities shall have access to beneficial ownership information to carry out its functions. Stakeholder consultations have confirmed that the register is paper-based, and thus the request for records will be needed to be filled manually. The MSG's comments on the draft Validation report argue that implementation of beneficial ownership transparency must take place within the context of national laws, which restrict the disclosure of any personal information on individuals subject a judge's authorisation. The MSG explains that this is the reason why disclosure of</p>
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<sup>86</sup> Available here: <https://itie-bf.bf/download/propriete-effective-et-declaration-par-projet-2/>

<sup>87</sup> See [Rapport Annuel d'avancement 2021 de l'ITIE-BF adopté le 27 avril 2022 par le Comité de pilotage de l'ITIE - ITIE-BF](#)

<sup>88</sup> See <https://itie-bf.bf/download/communiqué-du-juge-charge-de-la-surveillance-du-registre-des-beneficiaires-effectifs-sur-la-declaration-des-beneficiaires-effectifs-29-decembre-2022/>

	<p>beneficial ownership data can only be upon a justified request to a judge based on legitimate reasons for access to this data as prescribed in Government Order (arrêté) 2023-0097/MEFP/MJDHRI of March 2023.</p> <p>During consultations, the authorities indicated that no information was provided by companies yet for the register of beneficial owners, and that it was first necessary to raise awareness about the new legislation among extractive companies subject to reporting before moving to enforcement of the new legal provisions. Burkina Faso's 2020 EITI Report has assessed and documented gaps in disclosure of beneficial ownership information, but only for the 17 material companies within the report. This assessment shows that almost none of the corporate entities that had applied for or hold a participating interest in an exploration or production oil, gas or mining license or contract, have disclosed the requested ownership information. The MSG's comments on the draft Validation report confirm that the names of material companies that did not report their beneficial ownership information is provided in Annex 3 of the 2020 EITI Report, which the Secretariat confirms. The MSG's comments also highlighted the MSG's discussions around the reliability of beneficial ownership data collected at a September 2020 meeting, as part of the preparation of the government decree on beneficial ownership. The MSG argues that it has discussed the status of beneficial ownership disclosure as part of the preparation of every EITI Report since 2019, including relevant stakeholders beyond MSG members. For ten out of 11 material companies that are wholly owned subsidiaries of publicly listed companies, the name of the stock exchange has been disclosed within the EITI Report. The link to the stock exchange filings where they are listed is mentioned for all companies, except for one company (SOMITA SA). The five privately owned companies failed to declare their beneficial owners. There is no evidence of the MSG discussing the gaps or the reliability of the disclosed ownership information. There is no evidence of the MSG formulating a risk-based approach for the collection of data on companies outside of the reporting scope, such as companies holding multiple exploration licences. The MSG's comments on the draft Validation report argue that a beneficial ownership register has been established and that 2000 companies from all economic sectors have provided beneficial ownership information, which is publicly accessible "upon request". The MSG's comments highlighted ongoing plans for the establishment of a public beneficial ownership register accessible online.</p> <p>Regarding legal owners and share of ownership of companies, Burkina Faso's report indicates that this information in principle is obtainable at the commercial register (RCCM), free of charge, upon request. However, given that the register is not accessible online and that there is no evidence of EITI-BF testing the accessibility of legal ownership information in this way, there remain questions about whether shareholder information is indeed publicly accessible for all companies in the extractive industries. The EITI Report identifies the shareholders of the 17 material companies in the scope of the report, but not the legal owners of all companies applying for, or holding, a licence. A closer review of the legal owners of material companies highlights some gaps in shareholder information provided, such as the owners of the company Nordgold, cited in recent national press coverage of the extractive industries.</p>
<p><b>New corrective actions and recommendations</b></p>	

- In accordance with Requirement 2.5, Burkina Faso should disclose the beneficial, as well as legal, owners of all corporate entities that apply for or hold a participating interest in an oil, gas or mining license. This should include the following measures:
  - Ensure that the legal and regulatory framework is implemented for collection and public disclosure of beneficial ownership information of all companies applying for or holding extractive licenses. The government is encouraged to establish its publicly accessible digital beneficial ownership register as foreseen by the 2022 government decree on beneficial ownership.
  - Request all companies holding extractive licenses to disclose beneficial ownership information, including at the application stage. This should include all data points listed in Requirement 2.5, including the identity of any politically exposed persons. Develop guidance to extractives companies to publicly disclose their beneficial owners where needed.
  - Introduce adequate assurances to ensure the reliability and comprehensiveness of this data. Undertake regular assessments on comprehensiveness and reliability with regards to beneficial ownership disclosures by all companies holding or applying for extractive rights.
  - Name entities that have failed to disclose beneficial ownership information.
  - Publicly disclose the legal owners of all companies applying for and holding extractive rights.

The MSG is required to publish an assessment of the comprehensiveness and reliability of beneficial ownership information collected and disclosed to date. EITI Burkina Faso is encouraged to explore ways of developing an effective mechanism for the cadastre to consult the credit register (RCCM) data for its licence allocation process.

## State participation (Requirements 2.6, 4.2, 4.5, 6.2)

### Overview of progress in the module

The state's participation in the extractive sector is managed directly by the treasury (DGTCF), which received XOF 6.5bn (around USD 10.8m) in dividends from mining companies in 2020. Overall, the revenue flows collected by the SOEs and transferred to the state are insignificant (under 1% of government total revenues). The SOPAMIB, a SOE that will manage state participation in future mining, was still not operational during the period under review. Other SOEs operational in the mining sector (BUMIGEB and SEPB) receive government funding rather than make material payments to the government. Burkina Faso has used its EITI reporting to improve transparency around state participation in the mining sector, including the extractive SOEs' financial relations with the state. The latest EITI Report provides extensive descriptions of the rules and practices related to the financial relations between SOEs and the state. Audited financial statements are published by the SEPB and the BUMIGEB. Burkina Faso EITI has extended its scope to cover two public agencies involved in the protection of the mining sites (ONASSIM) and artisanal mining (ANEEMAS), which could consider added value given the country context of security challenges and the importance of informal gold mining.

However, EITI-BF has not considered ANEEMAS to be a SOE for EITI reporting purposes, which is problematic given the increasing materiality of revenue flows managed by ANEEMAS. The entity's sales of artisanal gold grew sixfold from XOF 330m in 2019 to XOF 2bn (around USD 3.3m) in 2020, as a result of the start of its gold purchases from artisanal miners in line with a new financing agreement for the purchase and sale of gold with Belgian company AFFINOR in September 2019. The terms of the agreement, and the sales, disaggregated by transaction, are disclosed in the 2020 EITI Report. The EITI-BF [website](#) published in July 2023 the ANEEMAS' 2020 audited financial statements for the first time. The MSG's comments on the draft Validation report strongly reject the categorisation of ANEEMAS as a SOE for

EITI reporting purposes. Referring to the MSG's agreed definition of SOEs for EITI reporting purposes agreed in 2019 (and published on the EITI-BF [website](#)), the MSG argues that ANEEMAS is a public establishment rather than a state-owned company, and that the entity was established without any paid-up capital, in contrast to state-owned companies. The MSG's comments also emphasise the distinction between the rising turnover of funds managed by ANEEMAS in line with the agreement with AFFINOR on the one hand, which it distinguishes from revenues collected from these operations by ANEEMAS on the other hand.

Engagement with SEPB as part of EITI implementation revealed that the company was yet fully in line with the requirements that arose with the changes to the Mining Code in 2015 and the company is currently working with the authorities to formalise its participation to the extractive sector, with the progressive inclusion of the licenses it operates to the cadastre, and the publication of its contracts.

### Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p><b>State participation (Requirement #2.6)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 2.6 is mostly met, which represents backsliding from the previous Validation. Stakeholders consulted unanimously considered the underlying objective of transparency and accountability of SOEs and state participation in the extractive sector was met. However, the Secretariat considers that the objective of transparency in state participation in the extractives is only mostly fulfilled given the lack of ANEEMAS reporting as a SOE for the EITI, alongside gaps in the other three SOEs' EITI disclosures.</p> <p>In its assessment of the materiality of extractive SOEs, the 2020 EITI Report lists three SOEs involved in the mining sector of Burkina Faso, namely SOPAMIB, BUMIGEB and SEPB, although it clarifies that only the latter two are active. In addition, it describes the roles of two public agencies relevant in the mining sector, ANEEMAS and ONASSIM. The ONASSIM's mission is to provide security services to mining projects and transportation of minerals. Therefore, ONASSIM does not participate in the upstream extractives industries and not considered as an SOE for the EITI.</p> <p>While ANEEMAS is not considered an SOE in the EITI Report, as it is incorporated as a parastatal entity (a public establishment as noted in the MSG's comments on the draft Validation report), the Secretariat's view is that it is to be considered represent a form of state participation in the extractive industries as it acts as a buyer of artisanal mined gold. The fast-growing value of funds managed by ANEEMAS (XOF 1.983 bn, a six-fold increase to the previous year) only contributes to the importance of transparency and accountability in the entity's operations. Nevertheless, the 2020 EITI Report provides some of the information on the financial relationship of ANEEMAS and the state required by the EITI Standard. The MSG's comments on the draft Validation report strongly reject the categorisation of ANEEMAS as a SOE for EITI reporting purposes, emphasising that it is a public establishment created without paid-up capital. The MSG refers</p>



	<p>to the EITI-BF definition of SOEs for EITI reporting purposes agreed in 2019, which does not include such public establishments.</p> <p>All information on the financial relations between the three SOEs (considered as SOEs by EITI-BF) and the state is comprehensively disclosed in the 2020 EITI Report. A dedicated section on state participation provides a detailed explanation of the statutory rules regarding the financial relationship between the state and the two active SOEs classified as such in the EITI Report, and describes the practice of financial relations in 2020 between BUMIGEB and SEPB and the state. However, with regards to ANEEMAS, the 2020 EITI Report describes the statutory rules related to distribution of profits and retained earnings, but does not explain whether ANEEMAS is statutorily entitled to reinvest in their operations. The MSG's comments on the draft Validation report explain that, as a public establishment, ANEEMAS automatically reinvests all of its retained earnings into its operations. While the EITI Report does not explicitly describe ANEEMAS' entitlement to raise third-party financing, it does explain that one of the sources of its funding is advance payments from buyers. This implies that ANEEMAS cannot raise third-party debt or equity finance beyond such advance payments, but this is not explicitly stated in the EITI Report. With regards to the practice of ANEEMAS' financial relations with the state, the EITI Report provides the value of profits that were retained in 2020 and the value of its third-party financing through advance payments by the Belgian buyer, but it does not provide the value of any reinvestments by ANEEMAS in 2020.</p> <p>The EITI Report states that the state and SOEs did not provide loans or loan guarantees to extractive companies in 2020. However, there is evidence in <a href="#">press coverage</a> that there was an outstanding loan from the government to the mining company Société des mines de Belahouro (SMB) as of 2020, valued at over USD 3.5m. This implies that the 2020 EITI Report's coverage of state loans to mining companies was not comprehensive of all loans outstanding in 2020. However, the MSG's comments on the draft Validation report argue that this does not constitute a government loan to SMB, but rather an arrear in payments to government by SMB, that does not constitute a loan given the lack of any financial transfer from the government to SMB (given the categorisation of the USD 3.5m as arrears in payments to government by SMB).</p> <p>The 2020 EITI Report presents the materiality of revenues from the government's minority interests in companies holding mining production licenses, which resulted in six companies paying dividends to the state, totalling of XOF 6.499 billion in 2020, disaggregated by company. The MSG's comments on the draft Validation report clarify that the payment of dividends in 2020 related to profits recorded in 2019. The EITI 2020 Report contains a list of the 25 government's direct minority holdings in the mining sector and a description of the conditions associated with the state's 10% free share of mining projects, as well as the state share of mining projects. There have been no changes in ownership between 2019 and 2020. In terms of dividends paid by SOEs to the State, no payment has been recorded in 2020. Of the 25 companies where the government holds a 10% interest, only six made dividend payments to the government in 2020 (based on their 2019 financial results).<sup>89</sup> The reasons why the other 19 mining companies in which the state holds a minority interest did not pay dividends in 2020 is not explained in the EITI Report. The MSG's comments on the draft Validation report provide the reasons for the lack of dividend payments by the other 19 extractive companies in which the state holds equity, including a lack of activities in 2019</p>
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<sup>89</sup> See table 60, p. 66 of the EITI Report.

	<p>(in the case of Nordgold Samtenga SA), delays in construction works by certain mining production license holders (such as Kiaka SA, Konkéra SA, Nordgold Yéou SA, and Orezone Bomboré SA), the lack of profits recorded by some companies (such as Nantou Mining SA, Somita SA, Bouroum, Taparko Roxgold SA, and Riverstone Karma), and delays in the finalisation of mining projects by some mining companies (such as Somisa SA and Wahgnion Gold Operations SA).</p> <p>Both SEPB and BUMIGEB publish their annual financial statement through the Ministry of Mines.<sup>90</sup> During the period for comments on the draft Validation report in July 2023, the EITI-BF <a href="#">website</a> published the financial statements of ANEEMAS.</p>
<p><b>Sale of the state's in-kind revenues (Requirement #4.2)</b></p> <p><i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 4.2 is not applicable in the period under review, as in the previous Validation. There was consensus among stakeholders consulted that extractive companies do not make in-kind payments to government collecting agencies. The Secretariat's view is that the objective of ensuring transparency in the sale of in-kind revenues of minerals in the period under review is not applicable given that the government does not collect any such revenues at present.</p>
<p><b>Transactions related to state-owned enterprises (Requirement #4.5)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 4.5 is fully met. Most stakeholders consulted considered that the objective of transparency in SOE transactions had been fulfilled with the 2019 EITI Report, which was broadly considered as providing the most comprehensive disclosures of SOE transactions in the public domain to date.</p> <p>The only revenues collected by the SOEs is a service fee paid to the BUMIGEB (see section 4.9.6.2 of the 2020 EITI Report), which amounts to XOF 38m, or 0,013% of the total government revenues. The proceeds of sales of phosphates for the SEPB is also mentioned, although it does not seem to constitute a fiscal payment from extractive companies to the SEPB.</p> <p>Based on the 2020 EITI Report, the Secretariat understands that SEPB and BUMIGEB did not make significant payments to the state in 2020 outside of the regular payments they are subject to. For the payment streams common to all companies, SEPB made a total contribution of XOF 26m (less than 0,01% of total revenues). In terms of transfers from the state to the SOEs, the 2020 EITI Report lists the transfers towards the SEPB, BUMIGEB, ANEEMAS and ONASSIM. These transfers are sorted between investment and operating subsidies. In 2020, the SEPB received close to XOF 440m, and BUMIGEB XOF 3.6bn.</p>
<p><b>Quasi-fiscal expenditures (Requirement #6.2)</b></p> <p><i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 6.2 is not applicable in the year under review, as in the previous Validation. Some stakeholders consulted considered that the sale of phosphates at a subsidised price to the domestic market could be considered quasi-fiscal expenditures. Each sale is disclosed in Annex 19 of the 2020 EITI Report, including the identity of the buyer, the sale contract number, volume and value. In total, the sales amounted to XOF 230m. While further calculations of the value of the subsidy on phosphate sales could be helpful to support public debate on the level of state support for domestic phosphate sales, the Secretariat's view is that this requirement is not applicable given that the funding for this subsidy is from the SOE's own revenues, rather</p>

<sup>90</sup> [https://www.finances.gov.bf/fileadmin/user\\_upload/storage/Rapport\\_de\\_performance\\_a\\_la\\_29eme\\_session\\_AG-SE\\_juin\\_2021.pdf](https://www.finances.gov.bf/fileadmin/user_upload/storage/Rapport_de_performance_a_la_29eme_session_AG-SE_juin_2021.pdf) The statements for 2021 are also available: [https://www.finances.gov.bf/forum/detail-actualites?tx\\_news\\_pi1%5Baction%5D=detail&tx\\_news\\_pi1%5Bcontroller%5D=News&tx\\_news\\_pi1%5Bnews%5D=561&cHash=fa6bfa9f37cc89985631ba8e8a9f9581](https://www.finances.gov.bf/forum/detail-actualites?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=561&cHash=fa6bfa9f37cc89985631ba8e8a9f9581)

	than revenues that it collects on behalf of the state, and that it is of very marginal value.
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### New corrective actions and recommendations

- In accordance with Requirement 2.6, Burkina Faso should ensure that its EITI reporting covers all extractive companies that meet the definition of state-owned enterprises (SOEs) in Requirement 2.6. Burkina Faso should use its EITI reporting to disclose information on the rules and practices related to financial relations between SOEs and the state, including reinvestments and third-party funding, as well as the terms of any loans or guarantees provided by the state and SOEs to any extractive companies or projects. All material SOEs in Burkina Faso are expected to publicly disclose their audited financial statements in full, publicising their availability. To strengthen implementation, Burkina Faso may wish to use its EITI reporting to describe the rules and practices related to SOEs' operating and capital expenditures, procurement, subcontracting and corporate governance, e.g. composition and appointment of the Board of Directors, Board's mandate and code of conduct.
- To strengthen implementation of Requirement 4.5, Burkina Faso is encouraged to use its EITI reporting to work with extractive SOEs to strengthen their systematic disclosures of transactions involving extractive SOEs, building on the publication of the audited financial statements of some of the extractive SOEs to date.
- To strengthen implementation of Requirement 6.2, Burkina Faso is encouraged to re-consider the existence of quasi-fiscal expenditures by extractive SOEs on an annual basis, with a view to ensuring comprehensive and reliable disclosure of any SOE's quasi-fiscal expenditures, commensurate with other payments and revenues disclosed through EITI reporting. Burkina Faso could expand its disclosures related to subsidised phosphates sales to publish calculations of the total costs of this subsidy on an annual basis.

## Production and exports (Requirements 3.2, 3.3)

### Overview of progress in the module

Burkina Faso has continued to use its EITI reporting to disclose production and export volumes and values for large-scale industrial mining. Production and export volume and values are available on project level, by commodity. Burkina Faso continued to reconcile production and export data between mining companies and the government, and this exercise has allowed the different entities to identify that different methodologies were used and thus yielded important discrepancies. Building on its excellent project level data, Burkina Faso could expand on the methods for monitoring volumes and calculating values for both production and export, and use that data for modelling future revenues or review the collection of past revenues.

Burkina Faso does not yet include updated estimates of the informal ASM sector's contribution to mineral production and export, despite their importance. The Secretariat considers that the underlying objectives of transparency in production and export data are only mostly fulfilled to date, given the importance of informal gold production and exports to the country's extractive industries. While consultations with ANEEMAS had indicated that there was relatively new knowledge on artisanal gold production gained during the pandemic when borders were closed, the MSG's comments on the draft Validation report clarified that ANEEMAS had no more recent estimates of artisanal and small-scale mining than those referenced in EITI reporting. Burkina Faso EITI is encouraged to conclude its study on artisanal mining and illicit financial flows that has been ongoing since 2022 and to follow up on likely recommendations to strengthen oversight and transparency in the sector. Given the ANEEMAS' mandate to market artisanal gold, the EITI may consider including activities in its work plan to support ANEEMAS in fulfilling its mandate.

## Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p><b>Production (Requirement #3.2)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat’s assessment is that Requirement 3.2 is mostly met, which represents backsliding from the previous Validation. The Secretariat’s view is that the objective of this requirement, to ensure public understanding of extractive commodities production levels and the valuation of extractive commodity output, is mostly fulfilled given the gaps in disclosures related to artisanal and small-scale mining production that imply that a comprehensive picture of the country’s mineral output has not yet been disclosed. Reconciliation of data has allowed to assess the reliability of industrial mining production data. However, Burkina Faso’s EITI reporting has continued to provide only outdated estimates of ASM production to date. In its comments on the draft Validation report, the MSG argued that it was taking the issue of ASM seriously, as evidenced by its study on ASM and illicit financial flows that has been ongoing since 2022. The MSG’s comments argue that the MSG considers the objective of Requirement 3.2 to have been fulfilled, given that disclosures related to ASM are considered only encouraged under Requirement 3.2. While the Secretariat notes that disclosures on ASM are encouraged under the technical aspects of the requirement on production data, it considers that estimates of such activities are crucial to fulfilling the objective of ensuring public understanding of mineral production levels, particularly of gold, and the valuation of extractive commodity output, given the significance of ASM’s contribution to Burkina Faso’s total gold production levels.</p> <p>The 2020 EITI Report provides production volumes and values disaggregated by commodity. This information is further disaggregated by company, project and region, sourced from the mining sector regulators (the « Direction Générale des Mines et de la Géologie » and the « Direction Générales des Carrières »). In an effort to reflect a more comprehensive view of total mineral production, the report also compared production data received from government source with information obtained from companies, and finds, despite reconciliation, that significant discrepancies remain, totalling 1.12 tons for gold and 60.17 kilograms for silver. The report includes a recommendation to improve data reliability through further analysis of the discrepancies and involvement of all relevant government agencies for better harmonisation of production data reported. The information on the discrepancies provided by the report contributes to reaching the objective of having a basis for addressing production related issues in the extractive industries. Some excel datasets including times series data on production are published on the EITI’s open data portal<sup>91</sup>, with the most recent data from 2020.</p> <p>The report also contains production data on ASM for the gold purchased by the government’s gold buying desks (<i>comptoirs d’or</i>). Formalised artisanal gold production provided by the report is 0.27 tons, valued at USD 12.9m, although the data is sourced from studies published in 2016 and 2018. Consultations with</p>

<sup>91</sup> See [http://portail.itie.gov.bf/search/field\\_topic/production-39](http://portail.itie.gov.bf/search/field_topic/production-39)

	<p>ANEEMAS found that the closure of borders during 2020 had given them more understanding on the volume of gold extracted. Burkina Faso could build on the experiences of the first years of operationalisation of ANEEMAS to compile production estimates on a quarterly basis, by region where ANEEMAS is present, to contribute to the underlying objective and complement the existing data from large-scale and licenced ASM.</p>
<p><b>Exports (Requirement #3.3)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat’s assessment is that Requirement 3.3 is mostly met, which represents backsliding from the previous Validation. While the export volumes and values from industrial mining are disclosed and reconciled in the 2020 EITI Report, the absence of estimates of smuggling supports the Secretariat’s view that the objective of ensuring public understanding of extractive commodities export levels and the valuation of extractive commodity exports, as a basis for addressing export related issues in the extractive industries, is only mostly fulfilled. The MSG’s comments on the draft Validation report argue that the MSG considers the objective of Requirement 3.3 to have been fulfilled, given that disclosures related to ASM are considered only encouraged under Requirement 3.3. The MSG’s comments argue that it is taking the issue of ASM seriously, as evidenced by its study on ASM and illicit financial flows that has been ongoing since 2022. Nonetheless, the Secretariat considers that estimates of informal gold exports are crucial to fulfilling the objective of ensuring public understanding of mineral export levels, particularly of gold, and the valuation of extractive commodity exports, given the significance of ASM’s contribution to Burkina Faso’s total gold export levels.</p> <p>The 2020 EITI Report documents total export volumes and the value of exports by commodity. This information is further disaggregated by company, project and region. Both the export level and value are provided, as well as the country of destination of exports, sourced from the customs authorities. In an effort for a more comprehensive understanding of mineral exports, the report compared export data sourced from the customs authorities with information obtained from companies, and finds, despite reconciliation, that significant discrepancies remain, totalling 4.79 tons for gold and 24.54 kilograms for silver. The report provides a recommendation to strengthen data reliability through further analysis of the discrepancies and involvement of all relevant government agencies for better harmonisation. The information on the discrepancies provided by the report contributes as a result of reconciling the export data from gold issued from industrial mining has contributed to aligning measurement methods, according to stakeholder consultations.</p> <p>However, neither the report or other publicly available documents provide information on estimates on informal gold exports (smuggling) in the period under review, despite this being a pervasive issue in the country, undermining revenue collection and potentially contributing to the financing of certain armed groups.<sup>92</sup> The absence of an estimate or a discussion of informal mineral exports as part of EITI implementation means that the necessary data to address issues related to exports is not available, and hence the objective is considered to be</p>

<sup>92</sup> Public Eye, a Swiss NGO, already in 2015 publicised that the gold exported from Togo, which is not a gold producer, is smuggled from Burkina Faso’s artisanal mines. From the data available, the study estimated that of the eight tonnes of gold mined in artisanal mines, only one is taxed, meaning that yearly seven tonnes of gold are illegally smuggled out of Burkina Faso to evade taxes. See <https://www.publiceye.ch/en/topics/commodities-trading/togolese-gold>, [https://www.publiceye.ch/fileadmin/doc/Rohstoffe/2015\\_PublicEye\\_So\\_kommt\\_das\\_togolesische\\_Gold\\_Infografik.pdf](https://www.publiceye.ch/fileadmin/doc/Rohstoffe/2015_PublicEye_So_kommt_das_togolesische_Gold_Infografik.pdf) and an article from 2018 from the world customs organisation <https://mag.wcoomd.org/fr/magazine/omd-actualites-86/burkina-faso-lumiere-sur-le-trafic-de-lor/> UGFm ub uts

	mostly met. Stakeholder consultations have not raised gold smuggling as a particular area of concern, despite the significant public debate over this issue.
<b>New corrective actions and recommendations</b>	
<ul style="list-style-type: none"> <li>• In accordance with Requirement 3.2, Burkina Faso should disclose timely production data, including estimates of production volumes and values related to artisanal, small-scale and semi-mechanised gold mining, potentially drawing on ANEEMAS' estimates of the sector. To strengthen implementation, Burkina Faso is encouraged to publicly disclose the methods for calculating production volumes and values. It is also recommended that the government disclose more timely mineral production data through the DGMG website.</li> <li>• In accordance with Requirement 3.3, Burkina Faso should publish estimates of informal mineral exports volumes and values, in order to fulfil the objective of providing a basis for addressing export related issues in the mining sector. It is recommended that the government entities systematically disclose more timely exports data on their own website. Burkina Faso is encouraged to describe the methods for calculating export volumes and values with a view to supporting improvements in the government's oversight of mineral exports.</li> </ul>	

## Revenue collection (Requirements 4.1, 4.3, 4.4, 4.7, 4.8, 4.9)

### Overview of progress in the module

Burkina Faso has used its annual EITI reporting to publish information on company payments and government revenues from the mining sector, disaggregated to project-level, for large-scale mining. Burkina Faso has also included, for the first time in the 2020 Report, revenues received from subcontractors of the mining industry. In terms of government revenues generated by the extractives sector, suppliers contribute with 19%.<sup>93</sup> Burkina Faso has continued with conventional reporting throughout the COVID-19 pandemic.

There are no concerns on the comprehensiveness of government extractive revenue disclosures. The MSG and IA have followed the Standard ToRs and achieved a coverage of 97%. More interestingly, the EITI Report, for the second year in a row, has traced the payments to the local development fund (FMDL) which is alimented by a share of royalties and 1% revenue from companies. The report also identifies the outstanding area fees (taxe superficiaires). The report thus undertakes a revenue integrity check, but doesn't give rise to any recommendations on following up to understand the reason for the missing payments. This area could be strengthened in EITI implementation as it would strengthen revenue collection. Given the supreme audit institution's (SAI) strong track record in performance audits of the sector, an audit of mining tax collection may bring about new insights and recommendations. The EITI-BF would also be well-suited to investigate the payment gaps, if it wished to take this work forward.

Infrastructure provisions and transportation revenues continue to be deemed non-applicable. On level of disaggregation, Burkina Faso has a strong track record of project-level payments, which, together with project-level production and export figures, and the availability of many of the mining contracts, present a solid foundation to model revenues per project (both backwards and forward-looking).

Burkina Faso has published its reports in a timely manner. It has also published more timely non-tax revenue figures, by month, in its "statistical bulletin", as recent as June 2022, as also noted under Overview of progress in the module.

<sup>93</sup> The inclusion of revenues from the supplier industry was a recommendation in a previous report and helps monitoring the local content provision of the 2015 Mining code and more recent implementing decree (see assessment under 2.1).

## Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p><b>Comprehensive disclosure of taxes and revenues (Requirement #4.1)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 4.1 is fully met, as in the previous Validation. Stakeholders confirmed that the comprehensive disclosure of all material payments and revenues has allowed citizens to have a solid understanding of the contribution of industrial mining to government revenues. EITI figures are frequently cited in media coverage and contribute to public understanding. The Secretariat's view is that the objective of transparency in government extractive revenues has been achieved, even if clarifications of total government revenues are needed in future EITI reporting.</p> <p>Burkina Faso has continued publishing conventional EITI Reports during the COVID-19 pandemic, publishing 2018 EITI Report in December 2020, the 2019 EITI Report in February 2021 and the 2020 EITI Report in June 2022. The MSG's materiality decisions for both revenue streams and companies are described in the 2020 EITI Report and documented in the November 2021 MSG meeting minutes. The threshold for payments was set at USD 16,000, less than 0.1% of total government revenues, which represents a de-fact threshold of zero and ensures the comprehensive coverage of all extractive revenues collected from material companies. For social and environmental payments, no threshold was applied. The selection of extractive companies based on each entity's aggregate payments to government in 2020 exceeding USD 1.3m (XOF 800m). The coverage given the full unilateral government disclosure is 96.87% with 17 of total of 619 companies reporting for reconciliation. The materiality threshold for selecting companies is the same as in the previous EITI Report. No materiality threshold was applied for SOEs. The retained revenue streams are described in the annex to the report and include the revenue streams as defined under Requirement 4.1.c. All 17 companies supplied their reporting templates and the summary payments per company are available in the annex. The MSG has identified the government entities receiving significant payments and full unilateral disclosure was done for 2020. The companies' audited financial statements were submitted to the IA, but are not available publicly.</p> <p>While EITI Burkina Faso's materiality decisions appear reasonable, its calculations of total government revenues over-state the value of government revenues by considering the total value of gold sales by ANEEMAS to the Belgian buyer AFFINOR to represent government revenues, when in fact only the profit margin recorded by ANEEMAS on its purchases of ASM gold and sales to AFFINOR should have been considered government revenues. Nonetheless, the Secretariat's review of materiality calculations indicate that the selection of material revenue streams and companies would not have been affected by a lower estimate of government revenues from ANEEMAS' gold trading activities. Therefore, despite the over-estimation of government extractive revenues, the Secretariat considers that all technical aspects of Requirement 4.1 have been addressed.</p>



	<p>The 2020 EITI Report publishes, for the first time, unilateral government disclosures on payments to government from mining contractor companies. It lists the top six contractor companies by payments to government and their contribution (in aggregate) by revenue streams, borders fees and taxes representing the most important one. Thirteen contractor companies, listed in the report, make up for 98% of government revenues from mining contractors. The report discloses contractor payments in disaggregate, not broken down by company and revenue stream.</p> <p>Going beyond the minimum required, the 2020 EITI Report also provides some estimates of what government mining revenues were expected for 2020. With the aim of tracing payments to the local development fund (FMDL) the 2019 and 2020 EITI Reports effectively identify differences between the value of some company payments of taxes defined by the mining code and the value of what was invoiced. Tables 70 and 75 state that XOF 10.3bn in area taxes and XOF 24.3bn in royalty payments were outstanding at the end of 2020. The total (XOF 34.3bn) represents 32% of mining taxes received in 2020 (XOF 106bn).<sup>94</sup> In addition, table 76 points to a gap of XOF 29.7bn in company revenues invoiced to be directly transferred to the FMDL, which was not paid. In total, that means that the EITI Report has identified XOF 62.5bn of unpaid but invoiced payments to government from companies. Burkina Faso could consider a systematic review of extractive companies' payments to government compared to the requirements of the fiscal regime for forthcoming reporting, further investigating the reason for gaps between the amount invoiced and the amount paid, by company, for the most important project-level payments.</p>
<p><b>Infrastructure provisions and barter arrangements (Requirement #4.3)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 4.3 is mostly met. The previous Validation found this requirement not to be applicable. Stakeholders consulted did not express particular views on progress towards the objective of transparency in non-monetary exchanges of goods and services. The Secretariat's view is that, while EITI Burkina Faso has considered the existence of barter-type agreements, it has not comprehensively disclosed information on the pre-financing of artisanal gold exports, which can be considered a form of resource-backed loan, that is sufficient to estimate the benefits of such an agreement relative to conventional agreements.</p> <p>The 2020 EITI Report describes a mining contract, signed in 2012, that foresaw a public infrastructure component to the project, concluded between the Burkinabe government and the company Pan African Burkina. The contract was cancelled, and the court confirmed this in March 2019. Thus, the EITI Report concludes that there were no active barter agreements or infrastructure provisions in 2020.</p> <p>Nonetheless, the 2020 EITI Report describes a pre-financing contract between the state-owned ANEEMAS and the Belgian gold refiner AFFINOR, whereby the Belgian buyer provides a revolving credit facility to ANEEMAS in exchange for physical deliveries of artisanal-mined gold purchased by ANEEMAS. The agreement consists of a revolving credit facility of XOF 1bn from AFFINOR to ANEEMAS, with regular disbursements of XOF 500m at a time when the funds have been used by ANEEMAS. ANEEMAS is required to deliver 25kg of gold to AFFINOR on a monthly basis in repayment of the credit facility. While the agreement could be considered not to represent a form of resource-backed loan given that the revolving credit facility has a less than one-year maturity, the Secretariat's view is that it does meet the definition of barter-type arrangement in</p>

<sup>94</sup> Fiscalite minière / mining tax payments were XOF 106.65 billion in 2020. See report page 11

	<p>accordance with the objective of Requirement 4.3, given that it involves the provision of a financial service (a revolving credit facility) in exchange for the physical delivery of gold. The MSG's comments on the draft Validation report argue that the MSG considered the ANEEMAS/AFFINOR agreement in the context of barter-type arrangements but concluded that it did not meet the definition of barter-type agreements in Requirement 4.3. The MSG argues that the arrangement consists of a simple gold sales agreement with advances on payments by the buyer to fund ANEEMAS' working capital for its purchases of gold from artisanal miners, which it then sells on to AFFINOR at a set pricing formula, with the advances through the credit facility deducted from the payments due for these purchases. Moreover, the MSG argues that ANEEMAS is not a gold producer but rather a buyer and seller of gold. While the Secretariat recognises the technical aspects of the agreement, it maintains that the agreement should be considered a barter-type arrangement given that pre-financing agreements are considered resource-backed loans that meet the definition of barter-type arrangements. Notwithstanding the short-term nature of the revolving credit facility, the broader objective remains relevant to understanding this pre-financing agreement, namely to improve the transparency of types of arrangements that provide a significant share of government benefits from the extractive sector, that is commensurate with other cash-based company payments and government revenues from oil, gas and mining, as a basis for comparability to conventional agreements.</p> <p>The terms of the agreement are comprehensively described in the 2020 EITI Report, including the absence of interest rates and the repayment modalities in physical gold deliveries from ANNEMAS to AFFINOR, with data on actual repayments in 2020 disaggregated by transaction. However, given that the MSG has not explicitly considered this arrangement a form of resource-backed loan, it has not developed estimates of the profits made from the sale by ANEEMAS, with a view to publishing an assessment of the value and benefits of this arrangement relative to conventional agreements. Thus, while most technical aspects of Requirement 4.3 have been addressed, the Secretariat's view is that the objective of comparability of barter-type agreements to conventional agreements is only mostly fulfilled.</p>
<p><b>Transportation revenues (Requirement #4.4)</b>  <i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 4.4 is not applicable, as in the previous Validation. The 2020 EITI Report describes that, while the transportation of minerals requires an administrative permit, that does not give rise to any transportation-related payments to government. The state does not provide any transportation services to the extractive industries.</p>
<p><b>Level of disaggregation (Requirement #4.7)</b>  <i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 4.7 is fully met. While there are some revenues levied on project level that are not disclosed as such, these are less than 2% of total revenues and thus negligible. The Secretariat's view is that these small revenue streams have only been included in the scope of disaggregated disclosures due to the de facto zero materiality threshold for selecting revenue streams for reconciliation (see <i>Requirement 4.1</i>). The underlying objective is considered fulfilled by stakeholders, but there is potential to make greater use of the project-level data for analysis and communications.</p> <p>Burkina Faso has been disclosing project level payments since its 2019 EITI Report. EITI-BF has undertaken a comprehensive review of project-level payments, documented clearly in the EITI Report what revenue flows are levied</p>

	<p>on project level<sup>95</sup>, and disclosed revenues per project and company for almost all revenue flows. The data gives an excellent starting point for reviewing project level payments over time, and how they relate to the contractual terms accessible for most mining projects. There are some revenue streams from companies that were not disaggregated by project, those are indicated in the EITI Report<sup>96</sup> and summary data for the report. They are deemed not material enough to impact the achievement of the underlying objective.</p> <p>EITI-BF may wish to consider tailoring its community outreach efforts with information on mining activities in their region, drawing on project level production and export figures available through EITI reporting. The Ministry of Energy and Mines may wish to disaggregate the revenue data in its statistical mining bulletin on project level in addition to the current aggregate figures.</p>
<p><b>Data timeliness (Requirement #4.8)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 4.8 is fully met, as in the previous Validation. Government, industry and civil society stakeholders consulted considered that the objective of ensuring sufficiently timely EITI disclosures to be relevant to inform public debate and policymaking had been fulfilled. The Secretariat agrees that the objective has been fulfilled.</p> <p>Burkina Faso published its 2018, 2019 and 2020 EITI Reports in a timely manner (within two years of the end of the fiscal period covered) in the period under review, notwithstanding the global pandemic and an intensifying security crisis. More importantly, the publication of the Ministry of Energy and Mines' "statistical bulletin" in December 2022 for Jan-June 2022 sector data includes un-reconciled revenue figures, disaggregated by month and type of tax. It also includes the amount that was paid into the FMDL. The bulletin contains a narrative on the figures. To strengthen analysis and data use, the Ministry of Energy, Mines and Quarrying may wish to publish the tables and figures in excel format.<sup>97</sup> It could also more prominently advertise the bulletin on the Ministry website.</p>
<p><b>Data quality and assurance (Requirement #4.9)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 4.9 is fully met, as in the previous Validation. The Supreme Audit Institution has certified the government entities reporting templates and has included in its public report recommendations on how to improve revenue collection. Stakeholder views from all constituencies expressed confidence in the quality and assurances provided for the disclosed data. The Secretariat's view is that the objective of the EITI contributing to strengthening routine government and company audit and assurance systems and practices has been fulfilled.</p> <p>Burkina Faso has used its EITI reporting to review audit and assurance procedures for the government and extractive companies. The 2020 EITI Report details the audit practices in place and the approach for assurances taken, and assesses the overall level of assurances and reliability as agreed by the MSG.<sup>98</sup> There is no evidence of deviations from the standard terms of reference. The</p>

<sup>95</sup> See table 60, p. 92

<sup>96</sup> See table 93.

<sup>97</sup> The Ministry of Mines and the directorate general of statistics (DGESS) have initiated this bulletin, with support of EITI-BF national secretariat. See [https://www.energie-mines.gov.bf/accueil/details?tx\\_news\\_pi1%5Baction%5D=detail&tx\\_news\\_pi1%5Bcontroller%5D=News&tx\\_news\\_pi1%5Bnews%5D=161&cHash=803de12e31ba9753c922230376343f8e](https://www.energie-mines.gov.bf/accueil/details?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=161&cHash=803de12e31ba9753c922230376343f8e) It is published on the BUMIGEB's website: [http://www.bumigeb.bf/BUMIGEB/Pages/Apropos/bul\\_stat\\_s1\\_2022\\_mmc.pdf](http://www.bumigeb.bf/BUMIGEB/Pages/Apropos/bul_stat_s1_2022_mmc.pdf) , also to be found here: <http://www.bumigeb.bf/BUMIGEB/Pages/Actualites/aActualites.html>

<sup>98</sup> At its November 2021 meeting. Minutes are available here: <https://itie-bf.bf/download/compte-rendu-de-la-deuxieme-session-extraordinaire-de-comite-de-pilotage-de-litie-du-2-novembre-2021/>

	<p>Report includes a clear and well-developed statement on comprehensiveness and reliability.</p> <p>In terms of assurances, the transparency template names the one (out of 17) company that did not comply with the agreed assurance procedure. The MSG's comments on the draft Validation report explain that the non-complying company, Norgold, had provided the required quality assurances late, after the publication of the 2020 EITI Report, although the certification was subsequently published as an annex to the 2020 report. Despite numerous years of reporting, none of the reporting companies publicly publish their annual financial statements and audit reports.</p> <p>To note that the Supreme Audit Institution (SAI – <i>Cour des Comptes du Burkina Faso</i>) both certifies the reporting templates and issues its opinion on the government's EITI reporting.<sup>99</sup> The SAI has included detailed recommendations on how to strengthen internal systems. Among others, the SAI noted that government entities lack the financial administration software, or the software is only partially implemented, which leads to many tasks being done manually, which is more prone to errors. Members of an oversight institution consulted for this Validation did not agree with the AI's characterisation that there were no regular effective audits carried out for government entities.<sup>100</sup> They confirmed that each Ministry has its financial monitoring and that those were largely working well.</p> <p>Given the solid work the SAI has undertaken over the past years, and given the rich project level data available as well as a range of published contracts, Burkina Faso may consider a performance audit of the revenue collection using project-level production and export data and the publicly available terms in concluded contracts. It could further investigate the discrepancies between invoiced amounts and paid amount, in view of further strengthening the reliability of information on the sector and to strengthen domestic resource mobilisation. The IA has already done this for the past two years in the context of the FMDL traceability assignment, which showed that about 12% of total invoiced amount from companies is not paid (only royalties and surface fees).<sup>101</sup></p>
<b>New corrective actions and recommendations</b>	
<ul style="list-style-type: none"> <li>• To strengthen implementation of Requirement 4.1, Burkina Faso is encouraged to deepen its work on revenue integrity to identify the reasons for the discrepancies in company payments, to address those as to strengthen revenue collection. Burkina Faso is also encouraged to ensure that its estimates of total government revenues include only government revenues, and not the turnover of SOEs such as ANEEMAS.</li> <li>• In accordance with Requirement 4.3, Burkina Faso is required to consider whether there are any agreements, or sets of agreements involving the provision of goods and services (including loans, grants and infrastructure works), in full or partial exchange for oil, gas or mining exploration or production concessions or physical delivery of such commodities. To be able to do so, the multi-stakeholder group and the Independent Administrator need to gain a full understanding of: the terms of the relevant agreements and contracts, the parties involved, the resources which have been pledged by the state, the value of the balancing benefit stream (e.g.</li> </ul>	

<sup>99</sup> The latest public report is the one from 2020. It covers reporting from the extractive industries from 2018 and 2019. The public report covering 2021 was published in February 2023. The certification was undertaken again by the SAI. Link to publication: <https://www.cour-comptes.gov.bf/rapports-publics> See pp. 349.

<sup>100</sup> As noted in the table on the evaluation of data reliability, 2020 Report table 61, p. 94.

<sup>101</sup> See 2020 EITI Report, page 110.

infrastructure works), and the materiality of these agreements relative to conventional contracts. This should include resource-backed loans such as the pre-financing of ANEEMAS' artisanal gold purchases. Where EITI Burkina Faso concludes that these agreements are material, it is required to ensure that EITI implementation addresses these agreements and disclosures provide a level of detail and disaggregation commensurate with the other payments and revenue streams. EITI Burkina Faso is required to agree a procedure to address data quality and assurance of the information set out above, in accordance with Requirement 4.9.

- To strengthen implementation of Requirement 4.7, Burkina Faso is encouraged to explore ways of systematically disclosing government revenues that are levied on a project basis disaggregated as such in its systematic disclosures. Burkina Faso could use its EITI disclosures of project level payments to review revenue collection and to project future possible revenue scenarios.
- To strengthen implementation of Requirement 4.8, Burkina Faso is encouraged to publish the statistical bulletin in open format (for example excel) and to consider disaggregating that data on project-level to ensure timelier publication of EITI data.
- To strengthen implementation of Requirement 4.9, reporting companies are encouraged to publish their financial statements and audit reports. The government is encouraged to publish the public report (rapport public) by the supreme audit institution (SAI) in a timelier manner, to allow to view the SAI opinion and recommendations alongside the EITI Report, or to publish the chapter on the extractives revenue certification and recommendations as an annex to the EITI Report. To further strengthen reliability and data quality, the SAI may wish to consider doing a performance audit of the collection of mining tax payments.

## Revenue management (Requirements 5.1, 5.3)

### Overview of progress in the module

Burkina Faso EITI disclosures on its website and in the EITI Report continue to provide information on government extractive revenues that are not recorded in the national budget as well as information on revenue management and expenditures. However, Burkina Faso's EITI disclosures have not kept pace with the growth in government revenues collected by SOEs that are not recorded in the national budget, such as the revenues managed by ANEEMAS related to its trading of artisanal mined gold. In July 2023, the EITI-BF website published ANEEMAS' audited financial statements (for 2020) for the first time, addressing a key gap to date (see *Requirement 2.6*). Recently, the government's decision to seize a share of mining revenues meant to be transferred to subnational government units through the FMDL in order to fund national security expenditures in 2023 (see *Requirements 1.1 and 1.3*) has not yet given rise to any new EITI-BF disclosures on this important reform that appears to run counter to subnational transfer provisions. Most information on extractive revenue management remains disclosed only through the EITI Report. There are opportunities for government entities to strengthen their systematic disclosures of information related to the budget cycle, including the management of extractive industry revenues that are not recorded in the national budget and on assumptions underpinning the budget.

### Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p><b>Distribution of extractive industry revenues (Requirement #5.1)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 5.1 is mostly met, which represents backsliding since the previous Validation. The underlying objective is considered mostly met by the Secretariat given that EITI-BF's continued disclosures on the management of government extractive revenues have not yet covered the more recent government reforms to allocate a share of mining revenues earmarked for subnational transfers in order to fund national security expenditures nor the requisitions of gold purchased from mining companies in early 2023. Although most of the stakeholders consulted considered that the objective of tracking extractive revenues not included in the national budget had been achieved, some CSOs expressed concern about the traceability of unrecorded extractive revenues in the state budget and the lack of reliable systematic disclosures for monitoring the management of some of these off-budget revenues. The MSG's comments on the draft Validation report strongly rejected the 'anachronism' of assessing EITI-BF disclosures on reforms in 2023 when assessing disclosures related to the 2020 EITI Report. The MSG also highlighted the publication of the 2020 financial statements of ANEEMAS, in July 2023 during the period for MSG comments on the draft Validation report. Nonetheless, the Secretariat's assessment notes views from the IMF (reported in a July 2023 <a href="#">article</a> in L'Economiste du Faso) that recent reforms related to the funding of national security expenditures should be recorded in the national budget. The Secretariat considers that there has been backsliding since the previous Validation in ensuring the same level of transparency and accountability in the management of extractive revenues not recorded in the national budget as for conventional budgetary revenues.</p> <p>Burkina Faso operates a centralised public finance management system, with statutory government revenues levied on the mining sector transferred to accounts that are recorded in the national budget, including earmarked revenues. Burkina Faso's EITI Reports describe the Treasury account system and provides an overview of the national budget classification system. Some of the old (2015-2017) government financial statements (TOFE) are available on the open data platform of EITI national website<sup>102</sup>, and data up to 2022 is published via the Burkina Faso open data portal supported by the AFDB. The data is sourced from the Ministry of the Economy and Finance.<sup>103</sup></p> <p>Of the five revenue flows listed in the 2020 EITI Report as not allocated to the state budget, only the payments collected by the SOEs (ANEEMAS, ONASSIM, ENEVE, BUMIGEB) are not recorded by the Treasury. The local mining development fund FMDL, the rehabilitation mining fund FRFM, and the geological research fund receive transfers from government collecting agencies. The second potential off-budget revenues are destined to the artisanal mining rehabilitation fund, which was not yet active in 2020 according to the 2020 EITI Report. The amount of each category of extractive revenues that is not recorded in the national budget is included in the 2020 EITI Report. While an explanation of the off-budget and transferred revenues is provided in the EITI Report, the description of ANEEMAS' financial management is not particularly detailed. However, in July 2023 (during the period for MSG</p>

<sup>102</sup> <http://portail.itie.gov.bf/dataset/tableau-des-op%C3%A9rations-financi%C3%A8res-de-letat-tofe>

<sup>103</sup> See here: <https://burkinafaso.opendataforafrica.org/gclsoqb/tableau-d-operations-financiers-de-l-etat-tofe> The data was last modified on 27 February 2023.

	<p>comments on the draft Validation report), the EITI-BF <a href="#">website</a> published ANEEMAS' 2020 audited financial statements for the first time. While financial reports detailing the management of revenues are only publicly available for the local mining development fund FMDL, there is little publicly available information on the government's decision to seize a share of these revenues for national security purposes in 2023. Likewise, it remains unclear whether the requisitions of gold purchased from mining companies in early 2023 was recorded in the national budget.</p>
<p><b>Revenue management and expenditures (Requirement #5.3)</b></p> <p><i>Not assessed</i></p>	<p>The Secretariat's assessment is that Requirement 5.3 remains not assessed, given that several encouraged aspects of this requirement remain to be addressed by Burkina Faso EITI. The 2020 EITI Report provides information on earmarked extractive revenues, like those dedicated to the FMDL, and the budget and audit procedures but does not provide additional information on production and commodity price assumptions and revenue sustainability, resource dependence, and revenue forecasting, which would be required for an assessment of exceeded.</p>
<p><b>New corrective actions and recommendations</b></p>	
<ul style="list-style-type: none"> <li>• In accordance with Requirement 5.1, Burkina Faso is required to ensure the traceability of extractive revenues to the national budget and ensure the same level of transparency and accountability for extractive revenues that are not recorded in the national budget. Where revenues are not recorded in the national budget, the allocation of these revenues must be explained, with links provided to relevant financial reports as applicable, in order to clarify in particular recent changes in the management of mining revenues earmarked for subnational transfers. To strengthen implementation, Burkina Faso is encouraged to use data standards such as the GFS classification, drawing from its summary data submission, to classify government revenue streams stemming from the extractive sector.</li> <li>• To strengthen implementation of requirement 5.3, Burkina Faso may wish to use EITI implementation to ensure public disclosure of timely information from the government that will further public understanding and debate around issues of revenue sustainability and resource dependence. This may include the assumptions underpinning forthcoming years in the budget cycle and relating to projected production, commodity prices and revenue forecasts arising from the extractive industries and the proportion of future fiscal revenues expected to come from the extractive sector in accordance with Requirement 5.3.c.</li> </ul>	

## Subnational contribution (Requirements 4.6, 5.2, 6.1)

### Overview of progress in the module

Regarding subnational transfers, the main mechanism relates to the local mining development fund, called FMDL. This fund is financed through a contribution equivalent to 1% of the turnover of mining companies, and the transfer of 20% of the royalties paid each year. Together with relevant authorities, the EITI has concentrated a significant share of its implementation to increase the transparency and accountability tied to this fund, as well as ensuring its operationalisation in the recent years. After several years of negotiation with the mining companies, the FMDL is now effectively funded, although companies are allowed to deduct their Corporate Social Responsibility spendings from their 1% turnover contribution. The first transfers,

covering 2018, 2019 and 2020 towards local municipalities and regions have been made public and are regularly discussed with the public<sup>104</sup>.

Social and environmental expenditures can be mandated by law in Burkina Faso, unilaterally reported by companies through the 2020 EITI Report. Voluntary social and environmental expenditures have been made available through the 2020 EITI Report, mixed together.

### Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
<p><b>Subnational payments (Requirement #4.6)</b></p> <p><i>Not applicable</i></p>	<p>The Secretariat's assessment is that Requirement 4.6 remains not applicable, as in the previous Validation. While the 2020 EITI Report states that municipal taxes are not specific to mining companies and thus not considered extractives-related direct subnational payments, stakeholders from all constituencies confirmed that these direct subnational payments to municipalities were of marginal value and thus not considered material, as in previous Validations. The 2020 EITI Report describes company payments of a business tax called “<i>la patente</i>”, common to companies in all economic sectors. However, the report confirms that this revenue is collected at the national level by the General Tax Directorate (DGI) and subsequently transferred to subnational governments.</p>
<p><b>Subnational transfers (Requirement #5.2)</b></p> <p><i>Fully met</i></p>	<p>The Secretariat's assessment is that Requirement 5.2 is fully met, as in the previous Validation. Consultations with stakeholders confirmed that they consider that the EITI's role in monitoring the transfer and management of subnational transfers has been instrumental to accompany the implementation of the fairly recent local development fund FMDL. The Secretariat's view is that the objective of enabling stakeholders at the local level to assess whether the transfer and management of subnational transfers of extractive revenues are in line with statutory entitlements has been fulfilled for the period under review. However, the Secretariat expresses significant concern at the government's unilateral decision in 2023 to seize a share of mining revenues earmarked for subnational transfers to fund national security expenditures. The practice of subnational transfers from 2023 will require vigilant oversight to maintain the level of transparency that EITI-BF has achieved on subnational transfers for 2019 and 2020.</p> <p>The two subnational transfer mechanisms are identified in the 2020 EITI Report. A total of 20% of surface taxes (“<i>taxe superficière</i>”) paid by mining companies are transferred to the municipalities affected by the extractive activities. The 2020 EITI Report provides the revenue sharing formula, the theoretical amounts and compares them with the actual disbursements acted by Decree for 2020, disaggregated by beneficiary municipality and region in Annex 21. The Secretariat's understanding is that all beneficiary municipalities and regions were covered in these disclosures, as confirmed in stakeholder consultations. According to the 2020 EITI Report, it was not possible to reconcile the disbursements with the amounts received by the local municipalities, due to the lack of disaggregated data in the accounts of the</p>

<sup>104</sup> <https://civitac.org/spip.php?article1121>



	<p>municipalities. Such reconciliation of transfers with recipients' receipts are only encouraged, not strictly required by the EITI Standard.</p> <p>The second subnational transfer identified is the Local Mining Development Fund, FMDL, created with the new 2015 Mining Code and operationalised by <a href="#">Decree in 2017</a>. It is funded by two government mining revenue flows, namely 1% of the annual turnover of mining companies, and 20% of mining royalties. The revenues transferred are monitored by a national committee called CNS and local committees<sup>105</sup> called CCS, and finance social programmes within the regions and local municipalities. The 2020 EITI Report provides the revenue sharing formula, the theoretical transfers and the actual disbursements made by the FMDL, disaggregated by beneficiary local government. Spot-checks of three of the main mining companies were performed to evaluate whether their payments to the national government were transferred to the subnational governments where their activities took place.</p> <p>In addition of the description of the actual transfers, a performance <a href="#">Audit Report<sup>106</sup></a> from the SAI, published in June 2020 and covering 2016-2019, and the 2020 EITI Report both note discrepancies between the theoretical amount that should have been paid by the mining companies and the actual subnational transfers executed in practice. In 2020, less than half of the surface tax due has been collected by the DGTCP, and less than 80% of the royalties (see <i>Requirement 4.1</i>). The SAI report concludes that the Ministry of Energy and Mines, Ministry of Finance and the National Committee (CNS), as well as the local and regional authorities failed to correctly manage the resources of the FMDL and the surface taxes in accordance to their roles and responsibilities. The current work plan does not include activities that would ensure recommendations in the SAI report are monitored and followed-up on. In April 2023, the government unilaterally decided to redirect 50% of the funds in the FMDL to cover military expenses, de facto appropriating funds destined for community development. The MSG's comments on the draft Validation report vehemently criticise the Validation report's interpretation of this legal reform, enacted in July 2023, and highlighted the multi-stakeholder consultative nature of the consultations (see <i>Requirement 1.1</i>).</p>
<p><b>Social and environmental expenditures (Requirement #6.1)</b></p> <p><i>Mostly met</i></p>	<p>The Secretariat's assessment is that Requirement 6.1 is mostly met. Some social expenditures are mandated from mining companies by decree, and the 2020 EITI Report discloses mandatory and voluntary social expenditures, unilaterally disclosed by companies. The underlying objective to enable public understanding of social and environmental contributions and companies' compliance with their obligations was considered met by most stakeholders consulted. However, the limited number of companies that reported mandatory social expenditures raises questions about the comprehensiveness of EITI disclosures of mandatory expenditures, and thus the Secretariat considers the objective mostly fulfilled.</p> <p>Social and environmental expenditures are disclosed through the EITI Report. Unilaterally disclosed by the mining companies, social expenditures are disaggregated between voluntary and mandatory expenditures. All social expenditures are disaggregated by payment and company in the Annex 6 of the 2020 EITI Report. The annex also includes the region and the name of the</p>

<sup>105</sup> [https://itie-bf.gov.bf/IMG/pdf/arrete\\_comite\\_communal\\_fmdl.pdf](https://itie-bf.gov.bf/IMG/pdf/arrete_comite_communal_fmdl.pdf)

<sup>106</sup> Published in June 2020, report is available here [https://www.cour-comptes.gov.bf/details-article?tx\\_news\\_pi1%5Baction%5D=detail&tx\\_news\\_pi1%5Bcontroller%5D=News&tx\\_news\\_pi1%5Bnews%5D=73&cHash=029ea988aefe84279bfb864cfa847c88](https://www.cour-comptes.gov.bf/details-article?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=73&cHash=029ea988aefe84279bfb864cfa847c88)

	<p>beneficiary, whether the payment was made in-kind or in cash, as well as a brief description of the nature of the payment. However, only five of the 17 material companies (representing 56% of the total revenues) reported having paid mandatory social expenditures, totalling XOF 2.720bn in mandatory social expenditures. Apart from one expenditure made by the company HOUNDE GOLD, the legal basis for reported mandatory social expenditures is not indicated.</p> <p>On environmental expenditures, the sole mandatory environmental expenditure identified by the 2020 EITI Report is the contribution made to the mining rehabilitation fund for a total of XOF 19.234bn, disaggregated by company. It is unclear from the EITI Report, other public documents, or stakeholder consultations whether there exist any payments to government required of mining companies that are related to the environment, such as forms of pollution or resource use taxes or fees.</p> <p>The 2020 EITI Report also discloses some voluntary expenditures by mining companies. In 2020, voluntary social expenditures amounted to XOF 2.149bn from 13 material companies. Voluntary environmental expenditures are not disaggregated from voluntary social expenditures.</p>
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#### New corrective actions and recommendations

- To strengthen implementation of Requirement 5.2, Burkina Faso could extend the scope of its EITI disclosures to follow the actual management by subnational governments of the revenues they receive as subnational transfers of extractive revenues. Burkina Faso EITI may also wish to agree on a procedure for addressing data quality of the reported figures of the transfers, in the absence of disaggregated disclosures from the municipalities side. Burkina Faso EITI may wish to monitor which of the recommendations from the SAI's performance audit report require further follow-up and use its EITI process to provide an overview of progress in acting on the SAI's recommendations.
- In accordance with Requirement 6.1, Burkina Faso is required to comprehensively disclose all mandatory social and environmental expenditures, to provide a basis for assessing extractive companies' compliance with their legal and contractual obligations. In particular, all extractive companies undertaking mandatory social expenditures and environmental payments to government must publicly disclose these expenditures and payments, where material, to levels of disaggregation mandated under Requirements 6.1.a-b. To strengthen implementation, Burkina Faso could disaggregate voluntary environmental expenditures from voluntary social expenditures, to enable a better public understanding of mining companies discretionary social and environmental contributions and provide a basis for assessing extractive companies' compliance with their environmental obligations.

## Background

### Overview of the extractive industries

An overview of the extractive industries is accessible on the [country page](#) of the EITI webpage for Burkina Faso.

### History of EITI implementation

The history of implementation is accessible on the [country page](#) of the EITI webpage for Burkina Faso.

### Explanation of the Validation process

An overview of the Validation process is available on the EITI website.<sup>107</sup> The [Validation Guide](#) provides detailed guidance on assessing EITI Requirements, while the more detailed [Validation procedure](#) include a standardised procedure for undertaking Validation by the EITI International Secretariat.

The International Secretariat's country implementation support team include Chiugo Aghaji and Nassim Benanni, while the Validation team was comprised of Christina Berger, Hugo Paret and Solofo Rakotoseheno. The internal review for quality assurance was conducted by Nassim Bennani, Alex Gordy, Mark Robinson and Gay Ordenes.

### Confidentiality

The detailed data collection and assessment templates are publicly accessible, on the internal Validation Committee page here.

The practice in attribution of stakeholder comments in EITI Validation reports is by constituency, without naming the stakeholder or its organisation. Where requested, the confidentiality of stakeholders' identities is respected, and comments are not attributed by constituency. This report is shared with stakeholders for consultation purposes and remains confidential as a working document until the Board takes a decision on the matter.

### Timeline of Validation

The Validation of Burkina Faso commenced on 1 January 2023. A public call for stakeholder views was issued on 15 November 2022. Stakeholder consultations were held virtually from 23 January to 17 February. The draft Validation report was finalised on 7 June 2023. Following comments from the MSG received on 21 July 2023, the Validation report was finalised for consideration by the EITI Board.

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<sup>107</sup> See <https://eiti.org/validation>

## Resources

### Country documentation

- Validation data collection file – [Stakeholder engagement](#)
- Validation data collection file – [Transparency](#)
- Validation data collection file – [Outcomes and impact](#)

## Annex A: Assessment of Requirement 1.3 on civil society engagement

### Methodology

Due to concerns expressed by stakeholders related to the enabling environment for civil society engagement in the EITI, the International Secretariat's Validation team has conducted a detailed assessment of Burkina Faso's adherence to the EITI Protocol: Participation of civil society.<sup>108</sup>

The assessment follows the Validation Guide, which defines guiding questions and related evidence that should be considered in cases where there are concerns about potential breaches of the civil society protocol.<sup>109</sup> For contextual purposes, the Validation provides an overview of the broader enabling environment for civil society participation in country's extractive sector. The assessment seeks to establish whether legal or practical restrictions related to the broader enabling environment have in practice restricted civil society engagement in the EITI in the period under review. It focuses on the areas where there are concerns regarding adherence with the civil society protocol.

A call for stakeholder views on progress in EITI implementation was launched on 17 November 2022, in accordance with the Validation procedure. The assessment draws on the information provided in responses to that call for views, the Stakeholder engagement file, and stakeholder consultations.

### Overview of broader environment for civil society engagement

#### Previous assessment –environment of lively public debate

In the 2017-2018 Validation of Burkina Faso, civic space and civil society participation in the EITI were considered as one of the most vibrant in Africa. The assessment found that *“there is a strong and vibrant civil society in Burkina Faso, which is adequately represented in the MSG. Through their active and savvy campaigning, civil society has effectively influenced policies and shaped the reform agenda for the government, including transparency provisions and new mechanisms for revenue redistributions in the new mining code. Civil society participate actively and effectively in the design, implementation and monitoring of the EITI process in Burkina Faso.”*<sup>110</sup>

The context of the 2017-2018 and the subsequent Validation (2019/2020<sup>111</sup>, which did not re-assess civic space) was that of a democratic transition, with long-time President Blaise Compaore had been ousted in 2014 and the 2015 coup attempt failed thanks to public protests against a military regime. General elections took place in November 2015 and Roch Marc Christian KABORE was sworn into office and re-elected in 2020, though losing parliamentary majority.

#### Broader civic space context

According to Freedom House, civil society remains a strong force for democracy (2022 assessment, covering 2021).<sup>112</sup> It notes in its yearly assessments that the media environment has improved in the post-COMPAORE era, as defamation was decriminalised. Stakeholders described a flourishing of independent local media outfits. While the overall assessment has remained “partly free” between 2017-2022, the numerical score declined by ten points from 63 (2017) to 53 (2022).<sup>113</sup> The decline in the Freedom House ranking is due to the score on civil liberties, which declined from 40/60 in [2017](#) to 30/60 in [2022](#). On

<sup>108</sup> <https://eiti.org/document/eiti-protocol-participation-of-civil-society>.

<sup>109</sup> <https://eiti.org/guidance-notes/validation-guide>

<sup>110</sup> See assessment of requirement 1.3, <https://eiti.org/board-decision/2018-12> and the initial assess (see footer)

<https://eiti.org/documents/burkina-faso-validation-2017>

<sup>111</sup> Validation decision: <https://eiti.org/board-decision/2020-01> and Validation report: <https://eiti.org/documents/burkina-faso-2019-validation>

<sup>112</sup> See <https://freedomhouse.org/country/burkina-faso/freedom-world/2022>

<sup>113</sup> Compare <https://freedomhouse.org/country/burkina-faso/freedom-world/2022> to <https://freedomhouse.org/country/burkina-faso/freedom-world/2017>

independent media, the score fell from 3/4 (2018) to 2/4, noting that a 2019 penal-code revision had made sharing of information about terrorist attacks and security activity a criminal offence. The 2022 assessment also noted that journalists face heightened risks to militant attacks, something several civil society stakeholders not engaged in the MSG confirmed in consultations. In rights of assembly, there was also a worsening in 2022 on operations and expression as noted below. The MSG's comments on the draft Validation report emphasised that the category of Freedom House's assessment of civic space had not changed in Burkina Faso in recent years and that there had only been a decline of a few points in the country's score in the Freedom in the World rankings in this period. CIVICUS Monitor did not change the overall assessment for the period 2016-2022: civic space remained unchanged as "obstructed"<sup>114</sup> in Burkina Faso. In a regional comparison, late 2020-2021 Cote d'Ivoire, Guinea, Mali, Niger and Togo were downgraded from "obstructed" to "repressed".<sup>115</sup> Despite the two military coup d'états, CIVICUS Monitor has not, as of May 2023, downgraded the evaluation of civic space from "obstructed". The index of Reporters without Borders (RSF) lists [Burkina Faso](#) at place 58 for 2023, with a score of 67.64. That is a decrease of 5.5 points compared to 2022. The political, economic and social indicators have slightly worsened, while the legislative and security indicators have slightly improved. The RSF assessment notes that "The culture of investigative journalism is fairly widespread, and the first online newspaper dedicated to investigative reporting was created at the start of 2023. But the deterioration of the security and political environment has brought an increase in outside pressure and self-censorship". It also notes that the most sensitive issue in Burkina Faso was religion and that extremely active religious groups monitor and exert pressure on public debate, posing a threat to freedom of expression and "potentially leading to self-censorship". The index notes no detained journalists as to date (28 July 2023) but in terms of safety, that violence against journalists has increased, from both armed groups and authorities. In its comments to the draft Validation report, the MSG notes that the RSF index ranks Burkina Faso higher than countries such as Greece and Israel, and in regional comparison, higher than Senegal (rank 104) and is the second highest for Francophone Africa. However, more recently, RSF published articles criticising government bans of certain foreign media and calling for the lifting of attacks on freedom of the press in Burkina Faso and Mali. In May 2023, RSF published a [call](#) backed by 29 media and civil society organisations calling for the lifting of pressures and intimidation of the press in Burkina Faso and Mali. In July 2023, RSF published an [article](#) denouncing the withdrawal of the license of French broadcaster LCI that stated: "The decision of the Superior Council of Communication is disproportionate and bears the appearance of a direct injunction from the military authorities. Instead of silencing critical voices, the authorities must support the pluralism of information in a difficult security context and this, in the interest of the population of the country."

According to Freedom House, the greatest threat to civic space is the contributed insecurity and violence from armed militant groups and government forces. Despite the democratic transition of 2014-2015, Freedom House notes that "Burkina Faso's military is powerful, and maintains a significant presence in the political sphere".<sup>116</sup> Indeed, as one international civil society partner pointed out, the military remained influential, and Burkinabe civic space has been operating in a context of constant threat of military coups since the country's independence in 1960. Burkina Faso has faced increasing attacks by jihadist groups linked to Al-Qaeda and the Islamic State since 2015. Especially since January 2020, the security situation as severely deteriorated in the country. Frequent Islamist attacks in the North, and an increase of internally displaced people from around 500k persons to around 1.88m in December 2022.<sup>117</sup> The Islamist terror has been particularly severe in the North of the country. Today, it is believed that only around 60% of the country's territory is under control of the Burkinabe military government.<sup>118</sup>

<sup>114</sup> For 2017: <https://www.civicus.org/index.php/state-of-civil-society-report-2017>, 2018: <https://www.civicus.org/index.php/state-of-civil-society-report-2018>, 2019: <https://www.civicus.org/index.php/state-of-civil-society-report-2019>, 2020: <https://www.civicus.org/index.php/state-of-civil-society-report-2020> For 2017: <https://www.civicus.org/index.php/state-of-civil-society-report-2017>, 2018: <https://www.civicus.org/index.php/state-of-civil-society-report-2018>, 2019: <https://www.civicus.org/index.php/state-of-civil-society-report-2019>, 2020: <https://www.civicus.org/index.php/state-of-civil-society-report-2020>

<sup>115</sup> Only Ghana, as neighbouring country is "narrowed", which is one level better than obstructed.

<sup>116</sup> <https://freedomhouse.org/country/burkina-faso/freedom-world/2018>

<sup>117</sup> See UNHCR data: <https://data.unhcr.org/en/country/bfa>

<sup>118</sup> According to ECOWAS mediator, June 2022 <https://www.aljazeera.com/news/2022/6/18/state-controls-only-60-percent-of-burkina-faso-mediator>

In January 2022, a military coup led by Paul-Heri Damiba overthrew a democratically elected government, which led to Burkina Faso's prompt suspension by ECOWAS. That military government lasted only until end of September, when Captain Ibrahim Traore staged another military coup and took power supported by other military officers. The atmosphere post-coup has been described by partners as "tense, anti-French, anti-European, critical of the UN and pan-African". The new military regime immediately suspended all political parties (and lifted the suspension again shortly thereafter). On 4 October the government banned public demonstrations, a policy that has not been consistently enforced in practice. The government has also acted by decree to commandeer gold production from mining companies and funds earmarked for subnational transfers in order to finance national security expenditures (see *Requirement 1.1 and Annex B*).

In the months following the second coup d'état in September 2022, the government has de facto carried out a militarisation of society. In October 2022 the government recruited 50,000 "volunteers for the defence of the homeland" (*Volontaires pour la defense de la patrie* (VDP)),<sup>119</sup> which are groups of civilians armed with military weapons to allow citizens in more remote regions to defend themselves against the terrorist attacks. Remarks by French media outlet RFI that there seems to be an ethnic dimension to the militarisation led to its licence being revoked (see *section on Expression*). In February 2023 the government recruited an "exceptional" 5000 military personnel to serve at least five years in the fight against terrorism.<sup>120</sup> In April 2023 the government decreed the general mobilisation, making defence measures applicable throughout the country. "It leads to a state of emergency in the parts of the territory concerned," a senior security source told Agence France-Presse (AFP).<sup>121</sup> The issued decree gives the head of state, the right to requisition people, goods and services and the right to restrict individual or collective civil liberties (Article 8).<sup>122</sup>

**Revoking of media licences critical of the government.** As outlined in the "Expression" section below, the government has rescinded broadcasting licences of at least four media outlets. The government publicly reprimanded Jeune Afrique and RFI in November 2022 for their coverage on the recruitment of volunteers (VDP).<sup>123</sup> France 24 and Radio France Internationale (RFI) had their broadcasting licence removed in December 2022, the military government also revoked Le Monde's and Liberation's licences early April for having broadcast an investigation into the execution of children and youths in a military casern.<sup>124</sup>

As described in the annex on the political context, the government has requisitioned 300kg of gold from mining companies and has announced its intention to direct 50% of the local development fund to fund its military interventions. The MSG's comments on the draft Validation report clarified that these purchases of gold from private mining companies were conducted on the basis of market price. The Secretariat's understanding is that this gold is earmarked for national security expenditures. While deadly terrorist attacks against civilians in border regions have sadly been a common feature since 2015 (see *Annex B*), there have increasing been acts of violence and death threats against journalists (see *section expression* below) as well as violence against civilians allegedly perpetuated by the VDP and military forces. Human Rights Watch states that violence and atrocities committed by armed Islamist groups, state security forces conducting counter-terrorism operations, and pro-government armed civilian groups have exacerbated the humanitarian and security situation in Burkina Faso and that little effort has been made to hold the perpetrators accountable for their actions.<sup>125</sup>

<sup>119</sup> See <https://www.letemps.ch/monde/afrique/burkina-faso-lance-recrutement-plus-50-000-civils-suppletifs-larmee-combattre>

<sup>120</sup> <https://www.letemps.ch/monde/afrique/burkina-faso-va-recruter-exceptionnellement-5000-militaires-un-service-minimal-cinq>

<sup>121</sup> [https://www.lemonde.fr/afrique/article/2023/04/13/le-burkina-faso-decrete-la-mobilisation-generale-face-a-la-multiplication-des-attaques-djihadistes\\_6169434\\_3212.html](https://www.lemonde.fr/afrique/article/2023/04/13/le-burkina-faso-decrete-la-mobilisation-generale-face-a-la-multiplication-des-attaques-djihadistes_6169434_3212.html)

<sup>122</sup> The decree is available here: <https://www.sig.bf/2023/04/decret-portant-mobilisation-generale/>

<sup>123</sup> See <https://www.agencecofin.com/medias/0711-102713-burkina-faso-les-autorites-condamnent-fermement-le-traitement-par-rfi-et-jeune-afrique-du-recrutement-de-suppletifs-de-l-armee>

<sup>124</sup> See <https://www.rts.ch/info/monde/13912276-apres-rfi-et-france-24-les-medias-le-monde-et-liberation-expulses-du-burkina.html>

<sup>125</sup> For an overview, see this news article: <https://www.voanews.com/a/mass-killing-of-civilians-by-security-forces-in-burkina-faso-7065965.html>

## Expression

The ability of civil society to engage in public debate about the EITI process without restraint appears well demonstrated, based on consultations with international partners and organisations operating in the extractive industries space. However, the broader legal and political environment for freedom of expression has worsened in the past four years. Compared to its neighbouring countries, Burkina Faso enjoys a dynamic and professional news landscape. One person consulted was of the view that the landscape got even more diverse following the first military coup in 2022. According to Reporters without Borders, Burkina Faso has 80 newspapers (including *Sidwaya*, *L'Événement*, *Le Pays*), 185 radio stations (*Omega FM*), 32 television networks (*Radiodiffusion Télévision du Burkina*, *BF1*) and 161 online news sites (*faso.net*, *Burkina 24*). The culture of investigative journalism is well established. Analytical pieces on the management of the mining sector are documented in the outcomes and impact template, including news articles critical on government and companies.<sup>126</sup> Press freedom and the right to information have been guaranteed by the Constitution since 1991. While the prison sentence for the crime of defamation was abolished, it was replaced with heavy fines that could lead to the closure of the concerned media outlets. In 2019, the erosion of public security led to a change in the criminal code, which criminalises the dissemination of information on military operations in order to “not undermine troops’ morale”. It authorises sentences of up to ten years in prison, and heavy fines.<sup>127</sup>

Several stakeholders consulted noted that the deterioration of security and political conditions has brought an increase in outside pressure and self-censorship. On the latter, some stakeholders said that self-censorship relates in particular to criticising the direction to non-democratic rule that the country has taken since early 2022 and to concerns of potential religious and ethnic conflicts proliferating in the current security and political context. On 3 November 2022, the government issued a communique condemning the reporting from Jeune Afrique (JA) and Radio France International (RFI), accusing them of spreading inaccurate information, which had the potential to incite ethnic violence. RFI, in an article citing JA, questioned why the government was recruiting voluntary military forces (Volontaires pour la défense de la patrie, VDP) mainly from the Mossi community, asking if there was an ethnic profiling dimension to the recruitment effort, since the jihadists recruited mainly from the Peule community.<sup>128</sup> A month later the government suspended RFI’s broadcasting licence for spreading “messages of intimidation” attributed to a “terrorist leader”. RFI had broadcast the threat of a jihadist leader of attacking villages defended by the VDP. This seemed to imply a coming coup, according to the government, and was false information.<sup>129</sup> The military government revoked RFI’s licence on those grounds in December 2022. Media outlet France24 had its licence revoked in December 2022 for broadcasting an interview with a terrorist leader. The government accused the French media outlet of providing a communications platform for terrorists. In both cases, so the media outlets allege, the government did not respect the procedures for revoking a broadcasting licence, which is a process the Supreme Communications Council should be leading.<sup>130</sup> Le Monde’s and Liberation’s licences were revoked early April 2023 for having broadcast an investigation into the allegations of human rights abuse by government forces.<sup>131</sup>

Feedback from stakeholders working for the media was mixed. While some journalists maintained that they have not been intimidated, harassed and do not feel limited in their freedom of speech, others have noted that the harassment of journalists has made reporters more careful in speaking out. Civicus

<sup>126</sup> Examples include: Budget losses because of tax breaks granted to companies <https://www.leconomistedufaso.com/2019/12/09/flux-financiers-illicites-dans-les-mines-cera-fp-evalue-les-pertes-budgetaires-au-burkina-faso/> (Dec 2019), and Financial wastage: the state loses a lot of money from 1 March 2022: <https://www.leconomistedufaso.com/2022/03/01/deperdition-financiere-letat-perd-beaucoup-dargent/>

<sup>127</sup> Source: Reporters without Borders, Burkina Faso profile, <https://rsf.org/en/country/burkina-faso>, accessed on 9 March 2023 and <https://www.jeuneafrique.com/792577/societe/burkina-faso-adoption-dun-nouveau-code-penal-juge-liberticide/>, accessed 22 March 2023.

<sup>128</sup> The communique was published here: <https://faso-actu.info/burkina-faso-le-gouvernement-interpelle-les-medias-rfi-et-jeune-afrique/>

<sup>129</sup> See <https://www.france24.com/fr/afrique/20221203-burkina-faso-la-diffusion-de-rfi-suspendue-jusqu-a-nouvel-ordre-fmm-d%C3%A9ploie-cette-d%C3%A9cision>

<sup>130</sup> Statement fo France24: <https://www.france24.com/fr/afrique/20230327-france-24-d%C3%A9ploie-vivement-la-suspension-de-sa-diffusion-au-burkina-faso>

<sup>131</sup> See <https://www.rts.ch/info/monde/13912276-apres-rfi-et-france-24-les-medias-le-monde-et-liberation-expulses-du-burkina.html>



documented the case of the sentence of activist Olo Mathias KAMBOU in October 2022. KAMBOU is a member of the Balai Citoyen Social movement who had apparently insulted the head of state, Lieutenant Colonel Paul-Henri Sandaogo DAMIBA, president of the transitional government at the time of Kambou's arrest. The charges related to comments he had made on social networks. He was sentenced to a six-month suspended prison and a fine of XOF 300 000 (approximately USD 452).<sup>132</sup> While there have been several cases of harassment of journalists by non-state actors in the period under review, there was consensus among consulted stakeholders, both on and off the MSG including development partners, that the harassment of journalists has not been carried out by government forces, but are perpetuated by a growing mob of loosely organised young men who want to "defend Burkina Faso's interests" and have no institutional or financial linkage to the government or security forces. The government has condemned threats of violence against journalists in a communique in December 2022<sup>133</sup> and an Panafrican activist who called for the assassination of two well-known journalist Lamine TRAORE<sup>134</sup> and Newton Ahmed BARRY<sup>135</sup> via social media was condemned in February 2023.<sup>136</sup> Journalist Lookman SAWADOGO most recently publicly complained about harassment, and asked the government to act.<sup>137</sup> The expressions of the three journalists that were threatened had no direct linkage to the extractive industry. Civil society engaged in the EITI have argued publicly that they do not experience any limitations to expressions on the EITI, the mining sector or the government. The civil society constituency issued a statement published on the EITI-BF website.<sup>138</sup> The statement acknowledges the impact of the security situation on dissemination activities in the country. It states that the two coups d'états have not had an impact on neither their participation in the EITI process, nor on their ability to freely express views on the extractives industries. More specifically, "... civil society organisations are free to express themselves..., as long as their comments don't undermine public order or are in support of terrorism...".

Desk research found that the media covers issues related to the governance of the sector. Media organisations have investigated allegations around the allocation of mining rights to private military contractors such as the Wagner group (see section "Allegations of Wagner group operating in Burkina Faso - state of evidence as of March 2023" in Annex B: Political context). It has also covered the government's requisition of gold and intention to redirect half of FMDL funds for national security purposes.<sup>139</sup> There is little evidence of public discussions about gold smuggling and the revenue losses and security risks associated with informal gold mining and export activities, although the views of stakeholders consulted did not indicate that this was due to self-censorship on these issues by civil society. However, while there has been media coverage of some issues such as allegations of mineral rights being awarded to armed groups, press articles have focused on relaying the government's public position on these issues, rather than questioning or expressing criticisms about the government's new policies. There is only limited evidence since the second coup d'état in September 2022 of media coverage (broadcasts and press articles) discussing the government's management of the extractive industries, such as on requisition of gold output from certain private companies or the reservation of FMDL funds for national security purposes. The MSG's comments referenced a list of video broadcasts and press articles discussing issues such as the reforms to the FMDL law allowing 50% of funds to be earmarked for the Patriotic Support Fund (FSP) to fund national security expenditures, and the requisition of gold from private mining companies.

<sup>132</sup> <https://monitor.civicus.org/explore/civic-space-further-restricted-after-second-military-coup-t3ev/>

<sup>133</sup> See for example <https://burkina24.com/2022/12/05/menaces-contre-des-journalistes-le-gouvernement-condamne-fermement-et-sans-ambiguite/>

<sup>134</sup> See [https://www.voafrique.com/author/lamine-traore/ogg\\_i](https://www.voafrique.com/author/lamine-traore/ogg_i)

<sup>135</sup> His profile here: <https://www.voanews.com/a/burkina-faso-arrests-man-after-death-threat-to-top-journalist/6664932.html>

<sup>136</sup> See <https://www.mfwa.org/fr/country-highlights/burkina-faso-lauteur-de-la-menace-contre-des-journalistes-condamne/#:~:text=Burkina%20Faso%20%3A%20L'auteur%20de%20la%20menace%20contre%20des%20journalistes%20condamne%20C3%A9,-Burkina%20FasoS%C3%A9curit%C3%A9&text=Le%20proc%C3%A8s%20de%20Mohamed%20Sinon,fin%20le%2010%20f%C3%A9vri%202023.>

<sup>137</sup> See <https://libreinfo.net/burkina-menaces-lookman-sawadogo/>

<sup>138</sup> The document is available here: <https://itie-bf.bf/download/note-de-confirmation-de-la-libre-participation-de-la-societe-civile-a-la-mise-en-oeuvre-de-litie-burkina-faso-dans-le-contexte-de-transition-politique/>. It was produced following a civil society meeting in November 2022. Minutes of that meeting are available here: <https://itie-bf.bf/download/compte-rendu-de-latelier-sur-la-participation-de-la-societe-civile-a-la-mise-en-oeuvre-de-litie-au-burkina-faso/>

<sup>139</sup> On the funds: <https://minesactu.info/2023/03/24/fonds-minier-de-developpement-local-environ-25-milliards-fcfa-pour-les-collectivites-pour-le-compte-du-2e-semestre-de-2022/>

The MSG's comments emphasise the consultative legal reform process that led to reform of the FMDL law, alongside the state's sovereign right to adjust allocations of FMDL funds in light of national priorities.

In its response to the draft Validation report the MSG strongly opposes the suspicion of self-censorship and offered a list of news broadcasts that discuss issues such as freedom of the press. There are TV contributions that criticise the government's weak control in certain border regions.<sup>140</sup> The MSG's comments reference [minutes](#) of a MSG meeting on 23 June 2023 and a [memorandum](#) on freedom of expression published by EITI-BF. The MSG's memorandum, developed with input from the private press, the Superior Council on Communications and the Ministry of Communications, argued that there were no government-imposed constraints on freedom of expression or of the press, and that the government was taking action against attacks on freedom of expression from non-state groups. The MSG comments reference the civil society constituency's view that it has not faced constraints on its freedom of expression in relation to the EITI process. The MSG raises concerns over the perceived lack of evidence of self-censorship by any CSOs engaged in the EITI process and questions the Validation's apparent intention to dictate the editorial line of media in Burkina Faso given the assessment's concerns over the lack of criticisms of recent government reforms.

## Operation

There is currently no evidence of legal restrictions to the formation and operation of civil society groups, including administrative requirements or restrictions on funding. There is no evidence and no allegations on legal, regulatory or administrative obstacles affecting the ability of civil society representatives to participate in the EITI process. Restrictions on freedom of movement have limited dissemination activities in the region, but the EITI did carry out several activities in the fall of 2022, following the publication of the 2020 EITI Report. There has however been a trend for EITI outreach and activities to be undertaken in areas increasingly close to the capital Ouagadougou in recent years, with the latest dissemination campaign in 2022 covering towns within a 100km radius of the capital city. There is no evidence of unregistered civil society groups having been subject to penalties for carrying out activities relating to the EITI process.

There is no evidence or allegations of reporting or regulatory requirements that have been applied unfairly or disproportionately to hinder or interfere with CSOs carrying out activities related to the EITI process. Several activities from CSOs engaged on mining issues are funded through international partners, such as OXFAM, and there is no evidence of legal or practical limitations to funding from international sources. There is no evidence of government interference in activities of civil society organisations involved in the extractive sector, or other organisations. There is no reporting from CSOs on government harassment, such as frequent inspections, monitoring or requests for documentation aimed at their civil society organisation. There is no evidence of any state-controlled civil society organisations that carry out activities related to the EITI process which could constrain independent civil society organisations from fully, effectively and actively engaging in the EITI.

## Association

Freedom House, in its 2022 assessment covering 2021 notes that there was a decline on the score on freedom of assembly because of the extended use of the state of emergency of the government which allows authorities to restrict assemblies. In June 2021, authorities blocked internet access during a period when protests were being held. After the first coup d'état in January 2022, the military government imposed an internet shutdown during the hours of the coup.<sup>141</sup> Following the second coup d'état, the military government announced on 30 September 2022 the suspension of all political parties and civil society organisations' activities. In a statement issued on 4 October 2022, the Government's Secretary General Edgard Sie Sou announced a ban on all protests that were considered to lead to disturbances of

<sup>140</sup> On the absence of the government in the border region to CDI:  
[https://www.youtube.com/watch?v=J9lrpV9x48o&ab\\_channel=OmegaM%C3%A9dias](https://www.youtube.com/watch?v=J9lrpV9x48o&ab_channel=OmegaM%C3%A9dias)

<sup>141</sup> See <https://www.accessnow.org/wp-content/uploads/2023/03/Evading-accountability-through-internet-shutdowns.pdf>

public order and likely to undermine efforts to strengthen social cohesion<sup>142</sup>, effectively forbidding people to demonstrate.<sup>143</sup> He has also urged civil society to “show responsibility”. In practice, stakeholders consulted said there are no limitations on assembly, and that protests take place on a nearly daily basis. Some said that there were more demonstrations following the second coup d'état than before.

Consultations did not reveal any limitations to formal or informal communications between civil society members, both on and off of the MSG. There is counter evidence of civil society members reaching out to their networks for coordination within the established CSO network, including some CSOs in mining regions, and holding meetings as part of the PWYP network. CSO spokesperson Jonas HIEN (ORCADE) has established through his year-long work on mining a network of civil society organisations working on mining issues, who meet regularly and are consulted on issues pertaining to EITI implementation.<sup>144</sup> As noted elsewhere, the security situation imposes barriers for outreach to local communities, although stakeholders consulted considered these security constraints to be legitimate concerns that were not being exaggerated in order to curb civil society's freedom of association. Dissemination activities were undertaken as part of the report dissemination efforts. Some stakeholders noted that the civil society members on the MSG should increase its efforts on outreach to mining communities (see assessment under requirement 1.3 and 1.4), however this does not pertain to limitations on travel or barriers to organising meetings. There is evidence of CSOs engaged in the EITI organising events on the topic of anti-corruption. The Network anti-Corruption (REN-LAC) organised its 17<sup>th</sup> edition on 1 December 2022 with a focus on security, terrorism and corruption.<sup>145</sup>

## Engagement

The documentation on civil society MSG members' participation shows a high attendance level at MSG meetings. The stakeholder engagement and outcomes and impact template document their participation in outreach and working groups. Civil society, including members of the broader constituency not directly represented on the MSG, has continued to use the EITI as a platform to monitor the implementation of the local development funds, a key campaigning issue for CSOs for the last revision of the mining code. There is ample evidence in the outcomes and impact templates of issues related to the extractives sectors, such as payments of companies, contributions to the local development fund and gender. Interests of civil society reflected in EITI implementation, including the EITI work plan objectives and activities, the scope of the EITI reporting process, the annual review of outcomes and impact, Validation, and other relevant issues. CSOs on the MSG have conducted outreach to other CSOs in the network to gather views on the work plan. From consultations with civil society, work on gender was in particular advocated by the CSOs. There is no evidence that civil society input has been marginalized or has not been considered.

According to stakeholders consulted, the civil society representatives that are engaged in EITI implementation, including members of the constituency not directly sitting on the MSG, have long been involved in the subject area of extractives governance and thus adequate capacity and support to participate meaningfully in the EITI. Other members of the MSG consider that CSOs make meaningful and effective interventions in EITI activities. Civil society enjoys some funding from international partners, and there is no evidence of any financial or capacity constraints limiting effective participation.

## Access to public decision-making

Most CSOs engaged in the EITI enjoy good access to government decision makers. For instance, CSOs had successfully requested a meeting with the Minister for Energy and Mining in December 2022 to request

<sup>142</sup> See <https://faso7.com/2022/10/04/burkina-faso-la-suspension-des-activites-des-osc-concerne-les-appels-a-manifestations-populaires-communiquer/>

<sup>143</sup> See <http://news.aouaga.com/h/145217.html>

<sup>144</sup> See for example the notes of a meeting held in November 2022: It was produced following a civil society meeting in November 2022 <https://itie-bf.bf/download/compte-rendu-de-latelier-sur-la-participation-de-la-societe-civile-a-la-mise-en-oeuvre-de-litie-au-burkina-faso/>

<sup>145</sup> See <https://libreinfo.net/burkina-faso-le-ren-lac-lance-la-17e-edition-les-journees-nationales-du-refus-de-la-corruption-jncr/>

clarifications on allegations around the award of mining rights to private military contractors such as the Wagner group.<sup>146</sup>

The stakeholder engagement template and outcomes and impact template highlight how civil society representatives are able to use the EITI process to promote public debate through public events, workshops and conferences organised by or with participation of civil society to inform the public about the EITI process and outcomes. This was confirmed in stakeholder consultations. Civil society representatives are able to engage in activities and debates about natural resource governance, including for example conducting analysis and advocacy on the local development fund (FMDL). EITI data is actively used in media reporting. There is no evidence on any restrictions to use the EITI process and related disclosures to contribute to public debate.

## Assessment

The Secretariat's assessment is that Requirement 1.3 is mostly met, which represents back-sliding since the previous Validation. Civil society organisations (CSOs) have been fully and actively engaged in the EITI process for much of the period under review since the previous Validation. The Secretariat's view is that the government's actions, especially since the second military coup d'état have led to a deterioration of civic space related to freedom of expression on extractive industry governance. Consultations and desk research identified breaches of the EITI protocol: Participation of civil society including the lack of an enabling environment for critical public expression among the broader civil society constituency. In its comments to the draft Validation report the MSG strongly contests the characterisation of civic space as under threat. The MSG shared the [minutes of its 23 June 2023 meeting](#) where the challenging security context was acknowledged. In this meeting, a [memorandum on the freedom of press and expression](#) was adopted stating that journalist intimidation were not carried out by the government and that there were ample platforms for critical and open discussion. It states that members of the MSG freely express themselves on all topics. The memorandum is adopted and published by the MSG with contributions from the Ministry of Communications, the Superior Communications Council and the private press. The MSG's comments referenced several broadcast media reports and press articles reflecting public debate about recent government decisions in the extractive industries, including the requisitioning of gold purchased from mining companies and the earmarking of a share of subnational mining revenue transfers to national security, but the Secretariat considers that the public discussion of these issues has not included the expression of views critical of the government's actions or questioning the reasons for these government decisions and their impact on transparency. Stakeholder consultations for this Validation also identified a lack of regular contact to mining communities and stakeholders in ASM regions.<sup>147</sup> A detailed review of progress with Requirement 1.3 and adherence to the EITI protocol: Participation of civil society is provided in Annex A.

International rankings of civic space state that legal constraints and threats against journalists critical to the government have led to a worsening of the broader civic space environment since 2019. Desk research and consultations identified cases of threats against journalists, although all stakeholders consulted including from civil society stated that those were not directly related to the extractive industries and not perpetrated by the government. However, in a context of general mobilisation, removal of broadcasting licences of media outlets critical of the government's actions, government decisions to earmark a share of subnational mining revenue transfers and requisitioned gold for national security purposes and evidence of military violence against civilians indicate a worsening of civic space and environment for public expression by civil society. The environment of recrimination against media coverage critical of the military government has been extensively [covered](#) in international media, including

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<sup>146</sup> See section "Allegations of Wagner group operating in Burkina Faso - state of evidence as of March 2023" in Annex B for more details.

<sup>147</sup> The 2017 Validation of Burkina Faso determined that CSO participation and engagement went "beyond", as Validation showed how civil society actively leveraged the EITI to push for changes in the Mining Code, which was adopted in 2015. The 2017 assessment was undertaken in the period of democratisation of the country (see for more background Annex B: Political contextw).

the withdrawal of licenses of certain foreign media for their coverage of national security issues in Burkina Faso.

Whereas the International Secretariat acknowledges that there is ample evidence of civil society members and online media outlets using disclosures from the EITI to inform public debate (as documented in the ‘Outcomes and impact’ template), public debate over recent government decisions such as the earmarking of a share of subnational mining revenue transfers and requisitioned gold for national security purposes appears to have primarily focused on factual statements rather than debate over the detailed reasons for these recent government decisions and procedures or expression of views critical of the government’s actions and its impact on transparency. The barriers to freedom of expression and operation arise from the continued high tension linked to the fragile security situation. All stakeholders consulted in Burkina Faso denied that there were any taboo topics related to the EITI process of extractive industry governance. The MSG’s comments provide extensive documentation of public broadcasts and press articles (such as this April 2023 [broadcast](#) on RTB) that argue that all restrictions on freedom of expression and of the press are related to actions by actors not linked to the government. In its comments, the MSG also refers to the Burkina Faso’s score in Reporters without Borders’ (RsF) ranking of freedom of the press. However, the International Secretariat notes RsF’s recent statements ([here](#) and [here](#)) denouncing “disproportionate decisions that have the appearance of a direct injunction from the military authorities” and an open letter to the Burkina Faso government calling for an end to press freedom violations in the country. RsF also claims ([here](#)) that “the worsening political and security context has led to increased self-censorship and pressure.” Recent government actions to revoke licenses of certain foreign media in retribution for their coverage of national security issues, growing concerns over self-censorship as a consequence of government actions including on the part of RSF, and the lack of public debate raising questions on transparency that are critical of recent government decisions in the mining sector related to requisitioning mining revenues and physical gold for national security purposes raise concerns over the environment for freedom of expression critical of the government that is of fundamental importance to enabling genuine multi-stakeholder debate as part of the EITI process. Thus, the Secretariat’s view is that the environment for civil society engagement in the EITI process and public debate on extractive industry governance is not fully enabling the objective of Requirement 1.3 and there are credible concerns of self-censorship due to fear of reprisal by authorities in retaliation for any criticism of the military government’s management of the economy, including the extractive industries.

In terms of civil society engagement in the EITI, the constituency’s participation in MSG meetings is robust, with the exception of members of *Centre pour la Gouvernance Démocratique* who only attended a third of MSG meetings (seven out of 18). Civil society are actively represented in all MSG working groups and discussions of the MSG, as reflected in meeting minutes (see *Requirement 1.4*). The broader civil society constituency engaged in the EITI is led by ORCADE (*Organisation pour le Renforcement des Capacités et de Développement*). The organisation until November 2022 led the National Council of CSOs, a network of CSOs including human rights activists, anti-corruption and pro-democracy groups and public finance experts. Jonas Hien has passed the leadership to a public finance expert Herman Doanio, but remains part of the leadership of the group that coordinates the civil society actors across the country.<sup>148</sup> The network is often called upon by political leadership to share their views on important policy decisions. However, it is unclear whether the National Council of CSOs has been consulted on more recent decisions such as seizures of private property for national security purposes or the appropriation of FDML funds. The constituency organises consultation and dissemination events with its network three times a year. While these were not conducted physically in 2020 and 2021 due to COVID-19 restrictions, input was nevertheless sought in writing and in conversations. Physical events for coordination have resumed since 2022 and the broader civil society constituency beyond the MSG members were given the opportunity to input to the work plan and APR.

The EITI-BF “Stakeholder engagement” and “outcomes and impact” templates provide extensive examples of civil society public expression and engagement. Civil society continues to use the EITI platform to

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<sup>148</sup> See <https://libreinfo.net/herman-doanio-president-du-conseil-national-des-organisations-de-la-societe-civile/> for more background on the change in leadership and the network.

monitor changes achieved in the Mining Code. Nonetheless, the Secretariat's assessment is that the environment for civil society engagement in the EITI process and public debate on extractive industry governance is not fully enabling progress towards the objective of Requirement 1.3 and that this environment has hindered the broader civil society engagement in free expression as envisioned in the EITI protocol: Participation of civil society, due to fear of reprisals from authority, particularly since September 2022.

In accordance with Requirement 1.3, Burkina Faso should ensure that there are no government constraints on civil society's freedom of expression in relation to all aspects of the EITI process and public debate on extractive industry governance, including in all resource-rich regions of the country. The government should undertake measures to prevent civil society actors from being harassed, intimidated, or persecuted for expressing views related to mining governance. In the event that civil society actors engaged in the EITI experience threats or harassment for expressing views about the extractive industries or engaging in other EITI-related activities, the government is expected to undertake measures to protect these actors and their freedom of expression. The government and MSG are required to find pragmatic solutions to any practical constraints on civil society's ability to freely express themselves on all issues covered by the EITI process, including in regions hosting extractive activities. The MSG is encouraged to regularly monitor developments regarding civil society's ability to engage in the EITI. In accordance with the EITI protocol: Participation of civil society, civil society MSG members are encouraged to bring any ad hoc restrictions that could constitute a breach of the protocol to the attention of the MSG. The government, in collaboration with the MSG, should document the measures it undertakes to remove any obstacles to civil society participation in the EITI. The civil society constituency is encouraged to strengthen its engagement with organisations and groups in mining regions to ensure the perspective of artisanal and small-scale miners from different mining regions are reflected in EITI implementation.

## Annex B: Political context

Burkina Faso gained its independence from France in 1960. After a short period of democratic rule, the military took power in 1965, and military governments have led the country up until very recently. In 2014 long-time President Blaise Compaore was ousted and the 2015 coup d'état attempt failed thanks to public protests against a military regime. General elections took place in November 2015 leading to the election as President of Roch Marc Christian Kabore, who was re-elected in 2020, though losing a parliamentary majority.

### General overview

#### Worsening security and humanitarian situation since 2015

During Kaboré's term, the country faced an increasing threat from Islamist militants linked to Al-Qaeda and the Islamic State, who carried out attacks in Ouagadougou as well as other parts of the country. In 2017 a regional anti-terrorism force, the G5 Sahel, was formed by Burkina Faso, Chad, Mali, Mauritania, and Niger to counter militant threats and improve the security of the countries' borders. In the following years though, escalating violence led to a humanitarian crisis, as more than a million Burkinabé were internally displaced, thousands of schools were closed, and the number of Burkinabé facing food insecurity grew to more than 3 million.<sup>149</sup>

In January 2022 a military coup led by Paul-Henri Damiba put an end to democratically elected government. ECOWAS promptly suspended Burkina Faso. That military government lasted only until end of September 2022, when Captain Ibrahim Traore staged a coup d'état and took power. Following its summit in Ethiopia in February 2023, the African Union (as well as ECOWAS) have maintained their suspension of Burkina Faso, Mali and Guinea due to 'unconstitutional changes in government'. In late January 2023, Burkina Faso's transitional government gave the French military one month to leave the country following allegations that France had failed in improving security.<sup>150</sup>

According to Freedom House (see annex A on civil society engagement), the greatest threat to civic space is the insecurity and violence caused by armed militant groups and government forces. Despite the democratic transition of 2014/2015, Freedom House notes that "Burkina Faso's military is powerful, and maintains a significant presence in the political sphere".<sup>151</sup> Indeed, as one international civil society partner pointed out, the military remained influential, and Burkinabe civic space has been operating in a context of constant threat of military coup d'états since the country's independence in 1960. Frequent Islamist attacks, particularly in the country's north, have led to an increase in internally displaced people from around 500,000 persons to around 1.88m in December 2022.<sup>152</sup> Today, it is believed that only about 60% of the country's territory is under control of the Burkinabe government.<sup>153</sup>

<sup>149</sup> Source: <https://www.britannica.com/place/Burkina-Faso/Independence>

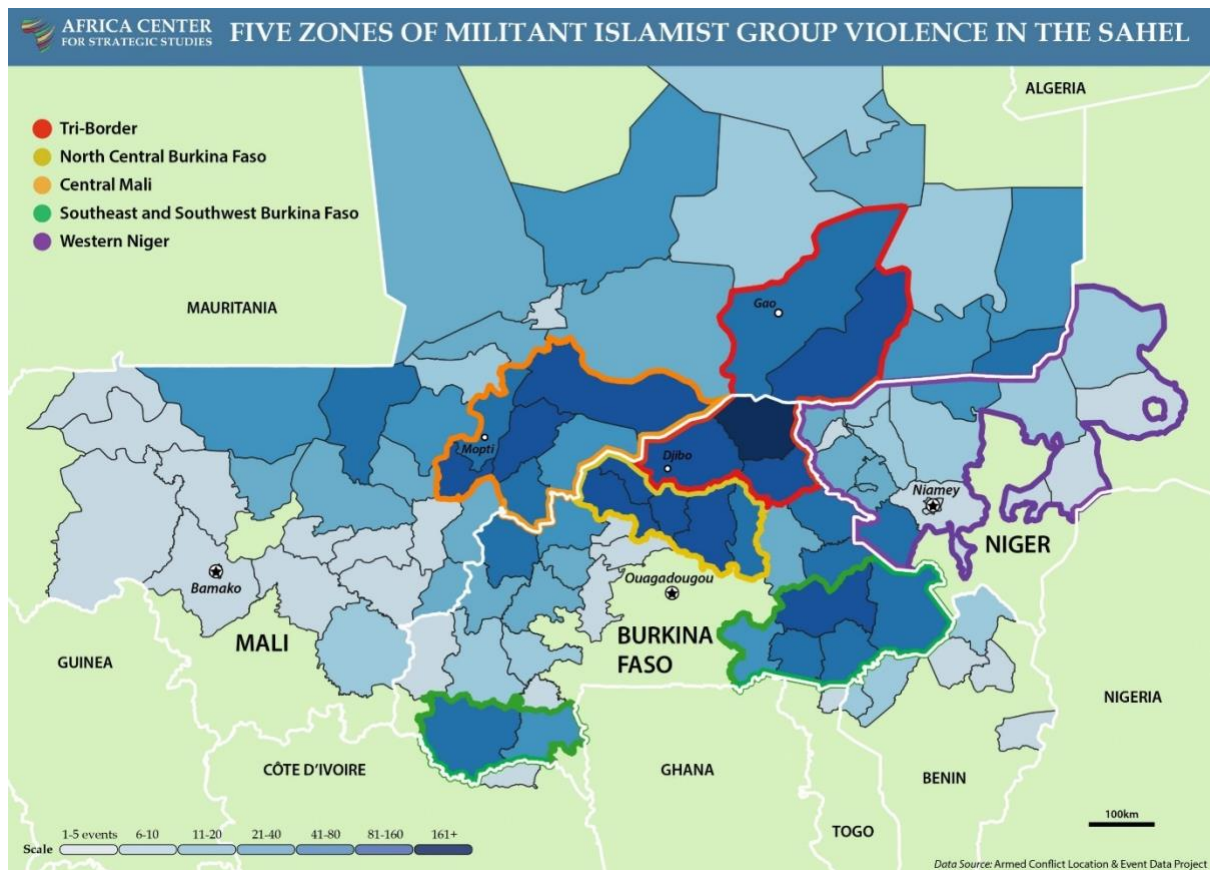
<sup>150</sup> Source : <https://www.reuters.com/world/africa/burkina-military-govt-demands-departure-french-troops-national-television-2023-01-21/>

<sup>151</sup> <https://freedomhouse.org/country/burkina-faso/freedom-world/2018>

<sup>152</sup> See UNHCR data: <https://data.unhcr.org/en/country/bfa>

<sup>153</sup> According to ECOWAS mediator, June 2022 <https://www.aljazeera.com/news/2022/6/18/state-controls-only-60-percent-of-burkina-faso-mediator>

Figure 1: Five zones of militant Islamist violence in the Sahel



Data as of 22 September 2022, source: The Africa Center for Strategic Studies ([here](#))

Besides the nearly 1.9m displaced people, there is an estimated 4.7m people in need of humanitarian assistance (21% of the total population).<sup>154</sup> Food insecurity affects 3.4m citizens (as of August 2022)<sup>155</sup> and has worsened since the Ukraine war, prompting IMF assistance in February 2023.<sup>156</sup>

### Key economic characteristics

Forty-five percent of Burkina Faso's population of 22 million is younger than 15 years old.<sup>157</sup> More than 40% of its population lives below the poverty line. The 2021-2022 Human Development Index report from the United Nations Development Program (UNDP), lists Burkina Faso as 184th out of 191 countries.<sup>158</sup> The country's main economic activity is agriculture, but the gold mining sector is becoming an increasingly important employer and contributor to government revenues. According to the 2020 EITI Report, the mining sector's contribution to GDP increased to 16% (from 12% in 2019), to government revenues to 14% (from 8% in 2019) and to exports to 83% (from 75 % in 2019).

<sup>154</sup> Source: <https://reports.unocha.org/fr/country/burkina-faso/>

<sup>155</sup> Source: <https://reliefweb.int/report/burkina-faso/insecurite-alimentaire-au-burkina-faso-resume-de-lanalyse-rapide-genre-aout-2022>

<sup>156</sup> See press release : IMF staff and the Burkinabé authorities have reached a staff-level agreement for about US\$ 80 million (50 percent of Burkina Faso's IMF quota) in emergency financing through the IMF's Food Shock Window of the Rapid Credit Facility to support measures to provide urgent assistance to households in acute food insecurity conditions. <https://www.imf.org/en/News/Articles/2023/02/09/pr2338-imf-reaches-staff-level-agreement-with-burkina-faso-on-rapid-credit-facility-through-fsw>

<sup>157</sup> Source: <https://demographicdividend.org/burkina-faso/>

<sup>158</sup> Source: <https://www.banquemonde.org/fr/country/burkinafaso/overview>



## Mining sector: industrial and artisanal mining

The largest share of extractive activity is gold mining, on 13 industrial mining sites.<sup>159</sup> Industrial mining has dominated gold extraction in terms of production (63 tonnes in 2020), but there are estimates that this has shifted significantly toward artisanal mining. It is now estimated that the country's 1 million artisanal gold miners are responsible for half the country's gold production.<sup>160</sup> The Burkinabe government estimates that 9.5 tonnes of artisanal gold was produced in 2016 (National Institute of Statistics and Demography (INSD), 2016); other sources estimate that this figure could be as high as 20–25 tonnes (OECD, 2018). The National Agency for the Supervision of Artisanal and Semi-Mechanised Mines (Agence nationale d'encadrement des exploitations minières artisanales et semi-mécanisées) (ANEEMAS), the government agency overseeing ASM in Burkina Faso, estimates that there were more than 800 active ASM sites in the country in 2019 (Jong, 2019).<sup>161</sup> The INSD in a 2017 study notes 438 artisanal mining sites, and 10 semi-mechanised sites.<sup>162</sup>

No recent estimate (from the past few years) of ASM activities is available from government sources. However, the Artisanal Gold Council (AGC) estimates that the informal sector is 13 times bigger than the formal industrial mining sector in terms of employment (2021, 52,000 were employed in the formal sector, and 700,000 in artisanal gold mining, with 2 million people working in support services to gold, according to AGC).<sup>163</sup>

Burkina Faso's Mining Code was overhauled, and the new code came into force in 2015. The first-come first-served licencing regime was retained to keep the thresholds for mining activities low. As of early July 2023, there are 697 licences are active, and 523 applications for licence awards are pending.<sup>164</sup> The EITI plays an important role in the oversight on the implementation to the changes to the Mining Code, in particular on the oversight of the local development funds. However, the large number of exploration operations (over 600 sites are licenced), may pose challenges to oversight of mining activities. As of 14 March 2023, of 683 licences marked as "valid" in the online cadastre, some 317 (46%) had passed their expiry date.

## Artisanal mining and financing of terrorism

There have been several reports on jihadist groups controlling mining sites and seizing or purchasing gold from artisanal miners to finance their operations through illegal gold smuggling.<sup>165</sup> In terms of due diligence efforts, Burkina Faso is often categorised as a Conflict-Affected and High Risk Area (CAHRA).<sup>166</sup> One study notes that weak state oversight of the artisanal mining sector and privatisation of security has contributed to facilitating terrorist groups' activities in artisanal mining communities.<sup>167</sup> In its stocktake on the ASM sector, ORCADE notes that the seizure of mining sites by terrorist groups can facilitate their access to financing.<sup>168</sup> The establishment of ANEEMAS and ONASSIM are measures to regularise the

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<sup>159</sup> See 2020 EITI Report, page 76

<sup>160</sup> <https://www.ft.com/content/8ff4c2ca-7ac3-4f3b-96ba-6fb74bbb60d5>, cited in IGF's report on Illicit Financial Flows and Conflict in Artisanal and SmallScale Gold Mining, Sept 2022 available <https://www.iisd.org/system/files/2022-09/illlicit-financial-flows-conflict-artisanal-small-scale-gold-mining.pdf>

<sup>161</sup> Illicit Financial Flows and Conflict in Artisanal and SmallScale Gold Mining: Burkina Faso, Mali, and Niger. (September 2022) Retrieved at <https://www.iisd.org/system/files/2022-09/illlicit-financial-flows-conflict-artisanal-small-scale-gold-mining.pdf>

<sup>162</sup> Rapport d'étude sur l'état des lieux de l'exploitation minière artisanale et à petite échelle au Burkina Faso. ORCADE, March 2022. <https://itie-bf.bf/download/rapport-detude-sur-letat-des-lieux-de-lexploitation-miniere-artisanale-et-a-petite-echelle-au-burkina-faso/>

<sup>163</sup> Figures found in <https://enactafrica.org/enact-observer/will-burkina-fasos-closure-of-artisanal-gold-mines-work-this-time>

<sup>164</sup> <https://www.cadastreminier.bf/emc>

<sup>165</sup> See the 2019 Report from the Crisis Group: <https://www.crisisgroup.org/africa/sahel/burkina-faso-mali-niger/repandre-en-main-la-ruée-vers-lor-au-sahel-central> and Global Initiative Report (Sept 2022) on JNIM in Burkina Faso - a key criminal actor: <https://globalinitiative.net/analysis/inim-burkina-faso/>

<sup>166</sup> This follows the OECD due diligence guidelines categorisation. There is no definite CAHRA list available.

<sup>167</sup> Insecurity in Burkina Faso – beyond Conflict Minerals. The Nordic Africa Institute, September 2021

<https://www.planetgold.org/sites/default/files/The%20Nordic%20Africa%20Institute.%202021.%20Insecurity%20in%20Burkina%20Faso-beyond%20conflict%20minerals.pdf>

<sup>168</sup> Rapport d'étude sur l'état des lieux de l'exploitation minière artisanale et à petite échelle au Burkina Faso. ORCADE, March 2022. <https://itie-bf.bf/download/rapport-detude-sur-letat-des-lieux-de-lexploitation-miniere-artisanale-et-a-petite-echelle-au-burkina-faso/>

sector, strengthen government oversight and control illegal gold trading.<sup>169</sup> Those institutions, the ORACDE report argues, should be strengthened in order to carry out their mandate meaningfully.

## Developments since January 2022

The following sections highlight some recent developments with relevance for the extractives sector since the first military coup in January 2022.

### Closures of mining sites and requisition of gold by the state

The mining sector has been affected by the volatile environment of jihadists attacks and political changes, in particular since the coup d'états in 2022, starting with the Russian Norgold closing gold mine Taparko in the Centre-North due to the security situation in April 2022. The same month the zinc producing Perkoa mine closed. By the end of 2022 six industrial gold mines closed, and by the end of December 2022 only eight of the 17 large-scale industrial mining companies were still active. Total production in 2022 is estimated to have decreased by at least 14.4% (January to November 2022). Due to increasing gold prices, the revenues lost in the same period only amounted to EUR 38 million (total revenues in 2020 were EUR 445 million) according to estimates in the national press.<sup>170</sup> The government also ordered the closure of 43 ASM sites in the North-West of the country<sup>171</sup> because of jihadist violence. In January 2023, it had also closed 20 ASM sites in the Centre-East.<sup>172</sup>

In addition, on 14 February 2023 the government has requisitioned 200kg of gold from the Mana mine, run by SEMAFO (subsidiary of Canadian group Endeavour Mining) for "public necessity" and "dictated by an exceptional context," according to the transitional government.<sup>173</sup> The value of the requisitioned gold is approximately USD 12 million.<sup>174</sup> The MSG's comments confirmed that this gold was purchased from the mining company at market prices, in consultation with industry.

### Allocation of mining licences in areas of weak government control

Press coverage in March 2023 describes the government approval of the transfer of two mining permits on 10 March 2023: the Tambao manganese deposit, which has estimated reserves of 55m tonnes, and the Inata gold permit. Both were awarded to Turkish mining company Afro Turk.<sup>175</sup> The mines, which are located in jihadist-controlled area, were awarded by a "direct agreement procedure". This process, provided for by Burkina Faso's public procurement rules, only applies to emergency circumstances or for a specific contract concerning a particular project. Both permits are for production licences. Despite direct agreement awards requiring the company to submit a financial and technical guarantee file to the Burkina Faso mining register, which needs to be examined by the national mining commission and then submitted for approval by the Council of Ministers, the article states that Afro Turk's file never went past the mining commission and was directly placed on the agenda of the cabinet meeting of 10 March. However, the MSG's comments on the draft Validation report clarify that the statutory licensing procedure was conducted following the Council of Ministers' approval in March 2023, and that these licenses were recorded in the cadastre once the licensing process was concluded in June 2023.

### Allegations of armed groups operating in Burkina Faso – state of evidence as of April 2023

During the Validation, the Secretariat was informed of allegations of private military groups being active in Burkina Faso. On 14 December 2022 Ghanaian President Nana AKUFO ADDO alleged, during his visit in

<sup>169</sup> Ibid, p. 58 and p. 63

<sup>170</sup> <https://www.investirauburkina.net/secteurs-et-marches/mines/burkina-faso-le-secteur-des-mines-plie-mais-ne-rompt-pas.html>

<sup>171</sup> See <https://www.jeuneafrique.com/1422950/economie/le-burkina-faso-ferme-plus-de-quarante-mines-dor-pour-raisons-de-securite/>

<sup>172</sup> <https://www.aa.com.tr/fr/afrique/burkina-faso-fermeture-des-sites-d-exploitation-artisanale-d-or-dans-20-villages-du-centre-est/2790889>

<sup>173</sup> Source: <https://www.jeuneafrique.com/1418588/economie/le-burkina-faso-requisitionne-200-kilos-dor-a-semafo-pour-necessite-publique/>

<sup>174</sup> Using the reference price in February, 60 000 USD/kg according to goldprice.org: <https://goldprice.org/gold-price-per-kilo.html>

<sup>175</sup> See <https://time.news/burkina-the-sale-of-the-inata-and-tambao-mines-offers-security-guarantees-and-financial-benefits-minister-bia/> and <https://www.agenzianova.com/en/news/burkina-faso-sale-of-two-mining-sites-to-the-turkish-company-afro-turk/>

Washington D.C., that Burkina Faso had contracted Russian private military group Wagner.<sup>176</sup> The Burkinabe government was quick to dismiss those claims.<sup>177</sup> Minesactu.info, an online news platform run by a civil society member of the MSG, discussed those claims and concluded that there was no evidence of any licences being awarded to the Wagner group.<sup>178</sup> Civil society members from the MSG had asked for a meeting with Minister of Energy, Mines and Quarries Jean Pierre BOUSSIM to solicit a response to those claims. The meeting took place on 20 December 2022. The investigation closed with the assumption that there may be a mix-up with the Russian company Nordgold, which has had a presence in Burkina Faso for at least a decade.<sup>179</sup> The allocation of the latest large-scale mining licence for gold was registered in the cadastre since 29 December 2022, but Minister BOUSSIM stated during the Mining Indaba conference in February 2023 that the licence was not given to the company in the end, because of the company's Russian origin.<sup>180</sup>

In a 7 April 2023 article, Associated Press news highlighted the strengthening of military ties between Russia and Burkina Faso. In March 2023, Burkina Faso purchased military equipment worth USD 415 million (around four fifths of total government mining revenues in 2020 of USD 508 million).<sup>181</sup> As of 15 April 2023, Burkina Faso was reported as expecting "instructors" to come train Burkinabe military on the Russian arms. According to Associated Press<sup>182</sup>, observers say countries using Wagner Group fighters often refer to such fighters as "instructors". According to a Global Initiative Against Transnational Organized Crime report<sup>183</sup>, the sale of arms and bilateral military cooperation agreements between Russia and some African countries have in some instances been a precursor to the deployment of Wagner's mercenary troops. The Secretariat did not travel to Burkina Faso for this Validation and cannot verify the validity of claims and rebuttals regarding the presence of the Wagner Group in Burkina Faso.

### Use of FMDL for arms purchases, fighting terrorism

In March 2023, Secretary General of the Ministry of Mines Jean-Baptiste Kabore announced that "it has been decided" that XOF 12 billion were to be deducted from the local development fund to finance national security expenditures, with the remaining (XOF 13.4 billion) to be used for community projects as originally planned in the FMDL law.<sup>184</sup> The MSG's comments on the draft Validation report clarify that the change in allocations of revenues earmarked for the FMDL consisted of a legal reform of the FMDL law, in consultations with the industry and civil society constituencies, in a process that led to Parliament approving in July 2023 a change in the FMDL allocations for half of the funds to be transferred to the Patriotic Support Fund (FSP). However, press coverage indicates that the government has been withholding half of FMDL funds for national security purposes since the second half of 2022, pending the legal reform process that concluded in July 2023.

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<sup>176</sup> See <https://www.africanews.com/2022/12/16/ghana-accuses-burkina-faso-of-hiring-russian-wagner-mercenaries/> The article reads: "Burkina Faso has now made an arrangement to, like Mali, use Wagner forces. I believe a mine in southern Burkina has been allocated to them as a form of payment for their services," he said during a meeting in the United States with U.S. Secretary of State Antony Blinken. According to the Ghanaian head of state, "Russian mercenaries are at the northern border" of Ghana, which is "particularly worrying". Article in French: <https://www.agenceecofin.com/actualites/1512-103862-le-president-ghaneen-accuse-la-junte-au-pouvoir-au-burkina-faso-de-setre-adjoint-les-services-de-wagner>

<sup>177</sup> See <https://www.bbc.com/news/world-africa-63998458>

<sup>178</sup> See <https://minesactu.info/2023/01/09/secteur-minier-le-permis-introuvable-de-wagner/>. See also reference under the assessment of Requirement 7.1.

<sup>179</sup> See the summaries of Nordgold's presence in the articles from Mines Actu and agence Econfin: <https://www.agenceecofin.com/gestion-publique/0602-105226-nordgold-n-exploite-pas-d-or-au-burkina-faso-a-cause-de-ses-origines-russes-ministre-des-mines> The presence of Nordgold is not clear from the legal ownership overview in Annex 3 of the 2020 Report.

<sup>180</sup> See <https://www.agenceecofin.com/gestion-publique/0602-105226-nordgold-n-exploite-pas-d-or-au-burkina-faso-a-cause-de-ses-origines-russes-ministre-des-mines>

<sup>181</sup> See <https://northafricapost.com/66338-burkina-faso-acquires-military-equipment-worth-415m-to-fight-terrorism.html#:~:text=Burkina%20Faso%20acquires%20military%20equipment%20worth%20%24415m%20to%20fight%20terrorism%20m-,North%20Africa%20Post&text=Burkina%20Faso%20has%20acquired%20military,fight%20against%20terrorism%2C%20reports%20say.>

<sup>182</sup> See <https://apnews.com/article/burkina-faso-russia-wagner-jihadi-02d9235279f0991cdb6ad3ebb4d3e546>

<sup>183</sup> See Report published in February 2023: <https://globalinitiative.net/wp-content/uploads/2023/02/J-Stanyard-T-Vircoulon-J-Rademeyer-The-Grey-Zone-Russias-military-mercenary-and-criminal-engagement-in-Africa-GITOC-February-2023-.pdf>

<sup>184</sup> See <https://minesactu.info/2023/03/24/fonds-minier-de-developpement-local-environ-25-milliards-fcfa-pour-les-collectivites-pour-le-compte-du-2e-semestre-de-2022/>

## Suspension of press licences and call to general mobilisation

France 24 and Radio France Internationale (RFI) had their broadcasting licence withdrawn in December 2022. The government also revoked Le Monde's and Liberation's licences in early April for having broadcast an investigation into the allegations of human rights abuses by government forces.<sup>185</sup> On 13 April 2023, the government decreed the general mobilisation to fight the terrorist threat.

## Implication for Validation assessment

This Validation report covers the period 1 January 2020 to 15 April 2023. The assessments of individual EITI Requirements consider the performance in the following three phases:

- (1) 1 January 2020- 30 January 2022: democratic rule under Kabore
- (2) 31 January – 30 September 2022: following the first military coup d'état led by Paul-Henri Sandaogo Damiba and
- (3) 1 October – 15 April 2023: following the second military coup d'état by Captain Ibrahim Traoré.

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<sup>185</sup> See <https://www.rts.ch/info/monde/13912276-apres-rfi-et-france-24-les-medias-le-monde-et-liberation-expulses-du-burkina.html>