

EITI
Extractive Industries Transparency Initiative
EITI National Committee, Côte d'Ivoire

The Chair
No 0011/CN-ITIE

Abidjan, 6 March 2020

To:
The International Secretary
EITI
Oslo, Norway

SUBJECT: Observations of the EITI-NC on the draft evaluation of the 2nd validation of Côte d'Ivoire

Dear Sir

The EITI National Committee (EITI-NC) would like to confirm receipt on 17 February 2020 of the draft evaluation of the 2nd validation of Côte d'Ivoire and thanks you for your help and advice with implementation of EITI in Côte d'Ivoire.

To this end, during the meeting of 4 March 2020, the members of the EITI National Committee evaluated the evaluation report of the 2nd Côte d'Ivoire validation prepared by the EITI National Secretariat. According to this report, **Côte d'Ivoire has fully implemented three (3) of the twelve (12) corrective measures and has made "meaningful progress" on implementation of the other nine (9) corrective measures. The evaluation report highlights that Requirement 6.1, for which Côte d'Ivoire had made progress beyond the EITI requirements has been scored lower and Côte d'Ivoire is now at a level of meaningful progress.**

The EITI National Committee would like to express its pleasure at the progress made and to thank the International Secretariat of EITI for its constant advice and support.

Also during its meeting, the National Committee considered all the observations made by the International Secretariat of EITI, paying particular attention to Requirements 1.5 (Workplan) and 6.1 (Social expenditure). Concerning Requirement 1.5, the EITI-NC considers that with regard to the Standard and the validation guide, all provisions have been met and Côte d'Ivoire, in accordance with the recommendations of the 2017 validation, should be considered as a country that has made "satisfactory progress".

The members of the committee also made necessary clarifications and observations on certain parts of the validation report.

Thanking you in advance for your kind attention to our request, we remain,

Yours faithfully

(Stamp and initials, EITI Côte d'Ivoire National Committee, Chair: MIMBA Kocounseu Antoine)

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**COMMENTS OF THE EITI NATIONAL COMMITTEE ON THE DRAFT EVALUATION REPORT
PREPARED BY THE INTERNATIONAL SECRETARIAT UNDER THE SECOND VALIDATION OF
CÔTE D'IVOIRE**

1. INTRODUCTION

Following its first validation in 2017, Côte d'Ivoire has been engaged in its second validation since November 2019.

To this end, a draft evaluation report was prepared by the EITI International Secretariat and forwarded to the EITI-NC on 17 February 2020.

During its meeting of 4 March 2020, members of the EITI-NC analysed the evaluation report and expressed their pleasure at the progress made on implementation of the 12 recommendations from the 2017 validation, while not forgetting the efforts needed to be made to satisfy all the recommendations.

2. OBSERVATIONS ON THE INTERNATIONAL SECRETARIAT'S INITIAL EVALUATION

The EITI National Committee (EITI-NC) noted certain observations and provided reformulations as suggested revisions of the EITI International Secretariat evaluation report.

On reading these evaluations, the members of the EITI-NC decided the offer, below, the clarifications needed, particularly concerning Requirements 1.5 (Workplan) and 6.1 (Social expenditure).

3. COMMENTS AND RESPONSES OF THE EITI NATIONAL COMMITTEE

3.1 REQUIREMENT 1.4

EITI Requirement	Recommendations of 2017-2018 Validation	Evaluation of 2019-2020 Validation	Observations by EITI-NC	Recommendations
<p>Workplan (1.5)</p>	<p>Requirement 1.5 states that the Multi-Stakeholder Group shall have an updated workplan, fully costed and consistent with the reporting and validation deadlines set by the EITI International Board. The Multi-Stakeholder Group is also encouraged to publish its budget and financial statements.</p> <p>Conclusions of the first Validation</p> <p>The first validation showed that Côte d'Ivoire had made inadequate progress on this requirement. Workplans included objectives that took account of national priorities, including the extension of the scope of application of the EITI declaration to include the artisanal mining sector. The activities in the work plans were measurable but not always provided with specific deadlines</p>	<p><u>The International Secretariat considers that the corrective action for the Workplan was partially implemented and that Côte d'Ivoire has made meaningful progress on Requirement 1.5.</u></p> <p>The Multi-Stakeholder Group approved the workplan for 2019, but only in the fourth quarter of 2019. The workplan is publicly available and fully costed, and it is complete with timescales corresponding to the EITI declaration and validation deadlines. While introduction of the workplan confirms its alignment with national priorities regarding the extractive sector and government transparency, its seven</p>	<p>In light of the recommendations made in the 2017-2018 validation, MSG members note that the workplan was updated in a workshop held in the last quarter of 2019 which brought together stakeholders including those who do not sit on the EITI-NC. During this workshop, stakeholders adopted the updated 2019 plan and identified priorities and actions for the 2020 plan, which was the subject of discussion at the last session of 2019.</p> <p>The sector's priorities were presented in the 2019 and 2020 workplans. Regarding the oil sector, beyond the priorities identified, the promotion and signing of new exploration licenses (CPP) was considered by the EITI-NC in light of the strategic axis on the transparency of contracts.</p> <p>Regarding the mining sector, the sector's priorities were clearly identified and the EITI-NC decided to focus on the</p>	<p>On the basis of the EITI-NC observations, we recommend that this requirement be changed from "Meaningful progress" to "Satisfactory progress".</p>

	<p>or fully costed. Workplans also incorporated activities intended to alleviate constraints on capacity and actions intended to implement the new roadmap on beneficial ownership and the Government transparency policy.</p>	<p>objectives are specifically linked to the EITI process. Overall, the contribution of EITI to national priorities for the extractive sector is not clearly communicated in the workplan. The workplan examines the scope of the EITI declaration, highlights funding gaps and presents the Multi-Stakeholder Group's intentions with regard to following up on recommendations arising from the EITI reporting and validation.</p> <p>There are indications that the process of developing the workplan was transparent and took account of the opinions of members of industry and civil society overall. The workplan includes actions intended to overcome capacity constraints on</p>	<p>Local Mining Development Committees (CDLMs), to enhance the transparency of their activities and to improve the reporting systems and impacts on beneficiary communities. This will help to create more community interest and strengthen community participation in EITI.</p> <p>The 2020 Workplan, which was the subject of discussion and validation by the EITI-NC in late 2019, contains activities to build the capacities of members and stakeholders (CSO members, parliamentarians and others).</p> <p>Regarding constraints, the EITI-NC focused on certain issues for which recommendations had been made for several years, including the publication of contracts. To this end, a study is planned to identify the constraints and to set up a road map and publication plan. Other studies are planned for systematic disclosure with a view to identify challenges, obstacles and priority actions in order to enable routine disclosure.</p>	
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		<p>various aspects related to the disclosure of income and social expenditure, but no activity listed in the plan addresses the capacity-constraints of MSG members. Even so, the workplan does not include any activity to overcome legal and regulatory barriers to EITI implementation.</p>	<p>The MSG considers that it will be necessary to make a success of this routine disclosure for EITI to take a place at the heart of debates and reforms for greater impact. Moreover, in view of Requirement 1.5 of the EITI Standard, the EITI-NC considers that all the key steps identified for a workplan have been completed and that Côte d'Ivoire should be currently classified as making satisfactory progress.</p>	
		<p>EITI-NC recommendations to the Secretariat: Reconsider the evaluation of point 1.5 to change it from "Meaningful progress" to "Satisfactory progress".</p>		

3.2 REQUIREMENT 6.1

The EITI-NC notes the comments on Requirement 6.1 on social expenditure and reducing the level of progress from "Beyond" to "Meaningful progress". However, the EITI-NC would like to highlight that regarding the company TONGON SA, there is no CDLM according to the agreements within the convention between the State of Côte d'Ivoire and TONGON SA signed before adoption and publication of the 2014 Mining Code. This clarification was made by TONGON SA and confirmed by the ministry responsible for mining. According to the TONGON SA mining company and pursuant to the clauses of the mining agreement, social expenditure must be made by TONGON SA.

According to TONGON SA, projects are chosen by those living nearby according to their need for works, and in accordance with a defined schedule. The costs of these projects are fully borne by the company. In addition to these projects, TONGON SA chooses additional projects itself, judged to be of high social and economic impact and able to generate income (agribusiness) that it has successfully trialled on its sister-mines in the subregion.

The note drafted and published on the EITI-NC site on CDLMs and the choice of the 5 CDLMs included in the declaration clearly explains why there is no CDLM at TONGON for now.

Moreover, the projects carried out by TONGON SA as part of the EITI report are published on the EITI-NC website.

The EITI-NC notes that, although this comment does not call for a reconsideration of the level of progress in light of the observations made on the Requirement 6.1, it is still important to make this clarification.

GENERAL COMMENTS

Members of the EITI-NC noted the observations and recommendations made regarding other requirements; to this effect, suitable actions will be planned throughout the period agreed for the next validation of Côte d'Ivoire.