



VALIDATION FACT SHEET

MARCH 2009

Validation is an essential
feature of the EITI
methodology

Validation is EITI's quality assurance mechanism and an essential feature of the EITI methodology. Validation has two critical functions. First, it promotes dialogue and learning at the country level. Second, it safeguards the EITI brand by holding all EITI implementing countries to the same global standard.

Validation is not an audit. It does not repeat the disclosure and reconciliation work that is carried out to produce EITI reports. Validation has broader objectives: it evaluates EITI implementation in consultation with stakeholders, it verifies achievements with reference to the EITI global standard, and it identifies opportunities to strengthen the EITI process going forward. The EITI Board uses Validation reports to determine a country's candidate or compliant status.

Validation Deadlines

Implementing countries must complete a Validation within two years of joining the EITI. Countries that demonstrate their compliance with EITI (or demonstrate substantive progress toward achieving this goal) receive international recognition for their efforts and achievements. If Validation is not completed, or if the validation shows that there has been no meaningful progress toward achieving EITI Compliance, the EITI Board will revoke that country's Candidate status. There are currently 25 Candidate Countries (see Validation deadlines below). One country, Azerbaijan, has completed Validation and has been designated as EITI Compliant.

Deadline of 9 March 2010: Cameroon, Democratic Republic of Congo, Equatorial Guinea, Gabon, Ghana, Guinea, Kazakhstan, Kyrgyzstan, Liberia, Madagascar, Mali, Mauritania, Mongolia, Niger, Nigeria, Peru, Republic of the Congo, São Tomé e Príncipe, Sierra Leone, Timor-Leste, Yemen. **Deadline of 10 May 2010:** Côte d'Ivoire. **Deadline of 20 Nov 2010:** Central African Republic. **Deadline of 10 Feb 2011:** Norway. **Deadline of 15 Feb 2011:** Tanzania.

A National Process

The Validation Process is carried out at the national level and is overseen by the national multi-stakeholder group. The cost is met by implementing countries. The basis for the assessment is the Validation Grid (see pages 2 and 3).

The Validation Grid

Consult the EITI Validation Guide for more information, including the Indicator Assessment Tools (IATs) .

EITI Implementation

SIGN UP

1. Has the government issued an unequivocal public statement of its intention to implement EITI?

2. Has the government committed to work with civil society and companies on EITI implementation?

3. Has the government appointed a senior individual to lead on EITI implementation?

4. Has a fully costed workplan been published and made widely available, containing measurable targets, a timetable for implementation and an assessment of capacity constraints (gov., private sector and civil society)?

See Indicator Assessment Tool (IAT)

PREPARATION

5. Has the government established a multi-stakeholder group to oversee EITI implementation?

See IAT

6. Is civil society engaged in the process?

See IAT

7. Are companies engaged in the process?

See IAT

8. Did the government remove any obstacles to EITI implementation?

See IAT

9. Have reporting templates been agreed?

See IAT

10. Is the multistakeholder committee content with the organisation appointed to reconcile figures?

See IAT

11. Has the government ensured all companies will report?

See IAT

12. Has the government ensured that company reports are based on audited accounts to international standards?

See IAT

13. Has the government ensured that gov. reports are based on audited accounts to international standards?

See IAT

DISCLOSURE

14. Were all material oil, gas and mining payments by companies to government ("payments") disclosed to the organisation contracted to reconcile figures and produce the EITI report?

15. Were all material oil, gas and mining revenues received by the government ("revenues") disclosed to the organisation contracted to reconcile figures and produce the EITI report?

16. Was the multistakeholder group content that the organisation contracted to reconcile the company and government figures did so satisfactorily?

17. Did the EITI report identify discrepancies and make recommendations for actions to be taken?

How have oil, gas and mining companies supported EITI implementation?

See IAT

DISSEMINATION

18. Was the EITI report made publicly available in a way that was:

- publicly accessible,
- comprehensive, and
- comprehensible?

See IAT

What steps have been taken to act on lessons learnt, address discrepancies and ensure EITI implementation is sustainable?

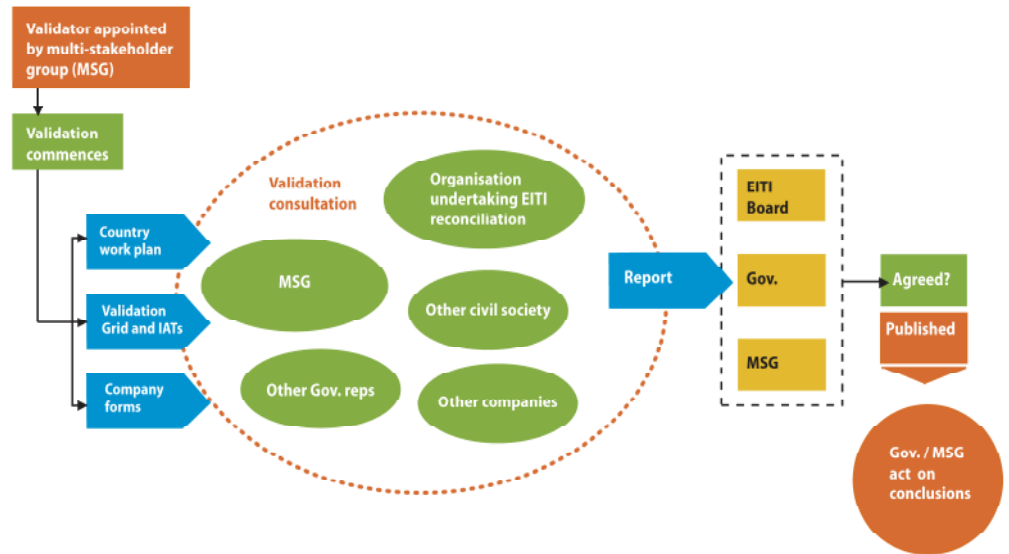
See IAT

Appointing a Validator

Validation is carried out by a Validator appointed by the National multi-stakeholder group. The EITI Board has approved a list of accredited EITI Validators, and has issued guidance to implementing countries on how to procure a Validator.

A Consultative Process

Validation is a consultative process. The Validator meets with the multi-stakeholder group, the organisation contracted to reconcile the figures disclosed by companies and the government and other key stakeholders (including companies and civil society not on the multi-stakeholder group).



Planning Ahead

Candidate Countries must complete Validation ahead of the 2 year deadlines established by the EITI Board. Candidates are encouraged to begin planning for Validation now. The EITI International Secretariat can provide support and technical assistance in this process.

Want to Know More?

For Further information on Validation, please consult the EITI Validation Guide, or contact Sam Bartlett at the EITI Secretariat.

Website <http://www.eitransparency.org/eiti/implementation/validation>

Email sbartlett@eitransparency.org

