



VALIDATION: EITI GLOBAL CONGRATULATES NIGERIA

The global Extractive Industries Transparency Initiative (EITI) has commended Nigeria for making meaningful progress in using the EITI Standard to improve the governance of its oil, gas and mining sectors.

The commendation was contained in a congratulatory letter from the Chair of the global EITI and former Prime Minister of Sweden, Mr. Fredrik Reinfeldt following the EITI Board's decision and the subsequent publication of the EITI Validation report on Nigeria.

The letter addressed to the Chairman of the NEITI National Stakeholders' Working Group (NSWG) and Minister of Mines and Steel Development, Dr. Kayode Fayemi noted that "After a careful review of Nigeria's efforts and the NSWG's comments

throughout the Validation process, the EITI Board has decided that Nigeria is making meaningful progress in implementing the EITI Standard.”

Validation is an independent evaluation mechanism used by the world body to assess the level of implementation of its principles of transparency, accountability and good governance of the extractive industry using the 2016 EITI Standard.

Mr. Reinfeldt said the decision on Nigeria was based on “The efforts of the NSWG to go beyond the requirements of the EITI Standard on a number of areas, including disclosures of the sales of the state’s in-kind revenues and the EITI’s contribution to an informed public debate”.

According to Mr. Reinfeldt, “The Board also acknowledges that efforts have been made to comply with all of the requirements and includes a number of corrective actions that should help Nigeria make a full transition to the EITI Standard.”

The EITI Chair said “Nigeria has repeatedly demonstrated how the EITI process can be used to achieve important, tangible results for its citizens.”

Details of the decision conveyed to Nigeria through the NEITI Board on its status with the global body, include the fact that “Nigeria is the first country in Africa to implement the EITI, helped shape the EITI Standard, developed one of the most extensive EITI reporting processes globally. Nigeria’s EITI (NEITI) has gone well beyond the initial requirements of the EITI by including assessments of physical and process flows alongside the reconciliation of financial payments.”

The statement also notes that “Nigeria was also the first country to enact a legislation institutionalizing the EITI in the country and NEITI has been repeatedly recognized for its efforts at putting into effect recommendations from EITI reports leading to the recovery of more than \$2.4billion for the Federal Government of Nigeria. NEITI has also increased multi-stakeholder collaboration and improved governance in the extractives sector.”

The EITI Board also highlighted areas where Nigeria needs to improve upon. They include widening the opportunities for the media and civil society participation in EITI

implementation in Nigeria and strengthening the monitoring and oversight of the initiative by multi-stakeholders.

Mr. Reinfeldt advised that “swiftly addressing the corrective actions identified through Validation should help Nigeria continue to demonstrate regional leadership and make a full transition to the EITI Standard”.

Reacting to the report, Chairman of the NEITI NSWG, and Minister of Mines and Steel Development, Dr. Kayode Fayemi said that he welcomed the decision on Nigeria and is confident that Nigeria will address all the corrective actions before the next validation exercise.

Dr Fayemi attributed the successes recorded in this validation to the commitment by President Muhammadu Buhari to the issues of good governance, transparency and accountability.

The Executive Secretary of NEITI, Mr. Waziri Adio, also welcomed the validation exercise as a peer review mechanism that holds all EITI implementing countries to the same standard. He congratulated the NSWG, companies, civil society and the media on the outcome of the validation exercise. “We need to get to work quickly and continue to push both ourselves and the frontiers. I am convinced that we can achieve not just Satisfactory Progress (which no EITI-implementing country undergoing validation has achieved so far), but we can also go Beyond the EITI requirements.” Mr Adio stated.

Nigeria was first adjudged a compliant country in 2011 in Paris - France. Fifteen out of the fifty one member countries of the EITI went through the first phase of validation which examined the strengths and weaknesses in the implementation value chain. The next Validation exercise is scheduled to hold in July 2018 when Nigeria is expected to address all remedial issues highlighted by the last exercise and improve on her current ranking.