

Implementation of the EITI in a federal country – experience gained and lessons learned

Germany submitted its candidature for the EITI on 22 December 2015. One of the challenges in preparing for candidature was the involvement of the country's 16 federal states, or *Länder* (federal level). This was necessary because *Länder* have their own public authority and are responsible for executing the legislation relevant to the EITI (tax law, mining law and environmental law).

The following experience was gained during implementation of the preparatory steps for candidature as required by the EITI Standard:

1. & 2. Unequivocal public statement by the government and appointment of a senior individual to lead on the implementation of the EITI

- Before the statement is issued it should be investigated, for example in a feasibility study, whether the federal level would be affected by implementation of the EITI. If so, the federal level should be informed at an early stage at the highest level.
- One of the purposes of the government statement is to secure future support for the EITI process. Similar statements by the state governments should therefore be prepared for an independent federal level.

3. Government commitment to work with civil society and companies, and to establish a multi-stakeholder group (MSG)

- To ensure that the interests of the affected institutions are taken into account in implementing the EITI and that information is incorporated directly into the MSG discussion process, the federal level should be involved in establishing the MSG.
- Clarifying responsibilities and agreeing on a (formal) framework for cooperation in the MSG requires a relatively long lead time and should therefore start at an early stage.
- A coordination body should be set up in which the federal level and national level are equally entitled to designate the representatives for the MSG, harmonise the negotiating framework in the MSG and feed information from MSG back to the stakeholder group. Rules of procedure based on the MSG's Terms of Reference have proved to be highly efficient in this regard.
- The choice of representatives for the MSG should be guided by their responsibilities for the relevant thematic areas for EITI reporting and should include the federal units which have a significant extractive sector.

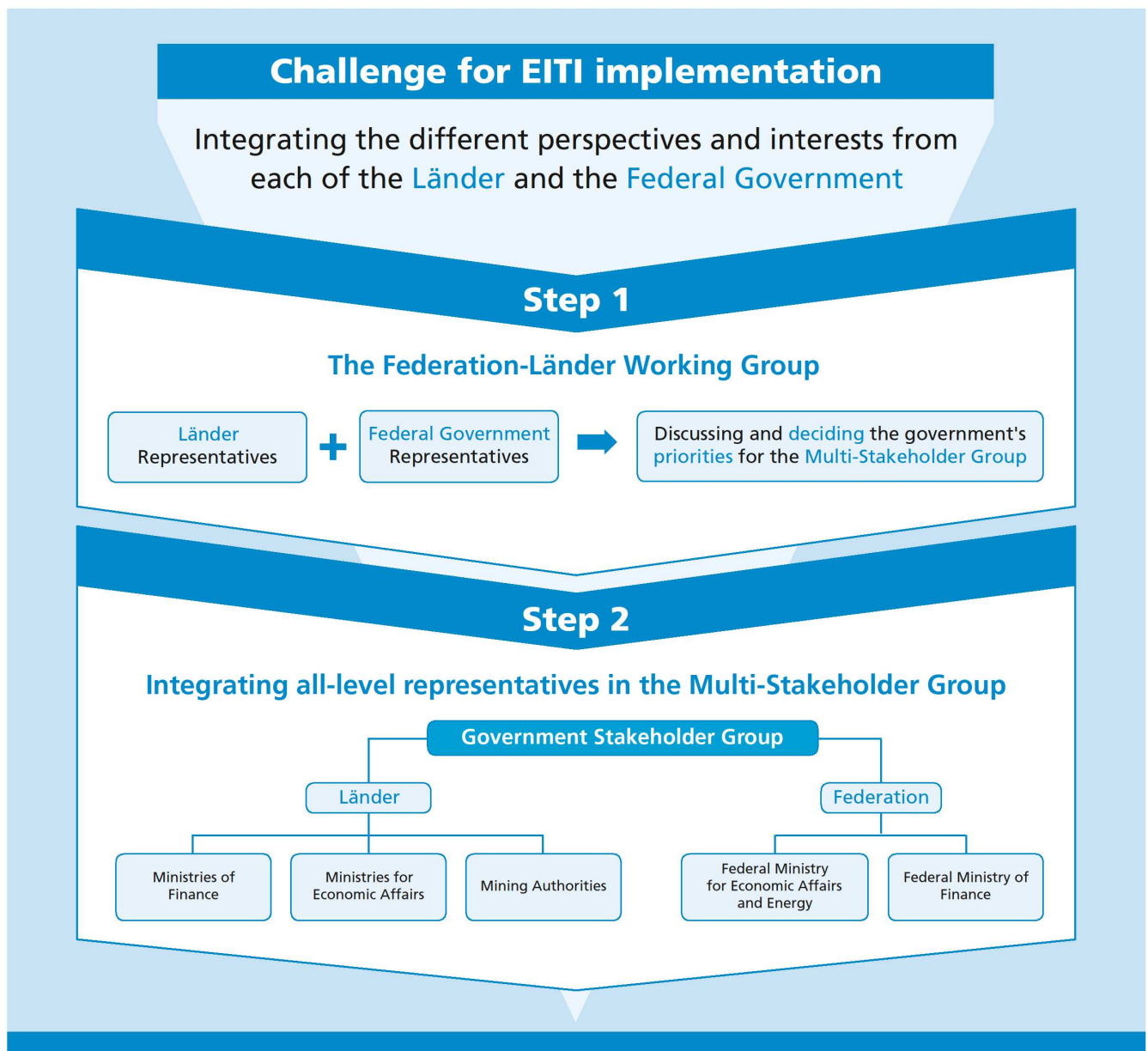
4. Maintenance of a current workplan

- The coordination body was crucial in drafting and adopting the workplan effectively and on time.

- By involving representatives of the responsible specialist units at federal state government level in the MSG, it was possible to clarify a large number of technical questions directly and immediately.

Conclusion

As a result of the federal level being involved at an early stage and on an equal basis, implementation of the EITI became a joint project, which the federal level very actively participated in and supported. Furthermore, the dialogue initiated between the national and federal level creates added value over and above the EITI.



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