

### Promoting Good Governance in the Extractive Sector – Data-Exchange and Cooperation

**Kabul, 5<sup>th</sup> May 2019** – Yesterday, the Extractive Industries Transparency Initiative (EITI) secretariat Afghanistan and the Afghan-German Cooperation conducted a workshop. 50 representatives from the government, private sector and civil society participated. The event aimed at re-establishing proper cooperation and ensure data exchange between relevant stakeholders in the mining sector. Efforts shall produce reconciled data on mining in Afghanistan, a requirement for the country's expected EITI validation attempt in June 2019.

The Acting Minister of Mines and Petroleum, Ms Narghis Nehan, emphasised, 'Our Ministry is willing to work further in this regard. For successful EITI validation, we have established the Online Transparency Portal which provides live mining and revenue data to be shared with our partners and used in the EITI process.'

The Afghan mining sector offers great economic potential that could significantly boost growth. EITI is the global standard for transparency and good governance in the extractive sector. It sets standards for governing a country's oil, gas and mineral resources. EITI is implemented by governments together with companies and civil society. Countries applying the standard disclose information on tax payments, licenses, contracts, production and other key elements of natural resource extraction. Afghanistan is a membership candidate since 2010.

The Afghan EITI secretariat identified a lack of cooperation and data-sharing as well as general unawareness of the standard among stakeholders as obstacles to validation. Several units from line ministries as well as mining companies are responsible for collecting required data. Today's workshop aimed at achieving efficient communication and knowledge sharing between them. At the event, AEITI secretariat Director, Mr Hashmatullah Sayes, stressed that 'knowledge of EITI standard is necessary. We can only hope for successful results, if we all play well together.'

Participants learned about the requirements of the EITI validation process and how to overcome related challenges. They are now able to provide relevant information to the Afghan EITI secretariat. The activity created a network of stakeholders that acted in isolation before. They shall also hold each other accountable on their respective role in Afghanistan's validation process.

Afghanistan's EITI validation would imply huge improvements in the mining sector, with revenue collected in due diligence and accountably contributing to Afghanistan's development. Data transparency shall curb corruption, strengthening the government's image as a trustworthy and fair administrator and attracting international investors.

*The programme Promoting Good Governance in the Extractive Sector in Afghanistan (MinGov) is implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Ministry of Economic Cooperation and Development (BMZ). To fully leverage the Afghan mining sector's potential, MinGov aims at increasing state revenues, promoting investment and fighting corruption in the sector. The project trains stakeholders to ensure that mining activities are carried out transparently and according to law as well as international health and environmental standards. Among other activities, the project has implemented 26 training courses on topics such as mine planning, mining economics and mining supervision for more than 380 mining inspectors and other employees at the Ministry of Mines and Petroleum (MoMP) and provincial authorities since 2014. At the same time, the programme has financed 13 scholarships for Afghan women to promote female participation*



## German Cooperation with Afghanistan

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*in the sector. The programme further supports the Afghan Extractive Industries Transparency Initiative (AEITI) to promote transparency and fight corruption.*