iTiE-MLi
Initiative pour la Transparence
des Industries Extractives
Mali

REPUBLIC OF MALI ONE
PEOPLE – ONE GOAL – ONE TIME

STEERING COMMITTEE OF THE INITIATIVE FOR TRANSPARENCY IN THE EXTRACTIVE INDUSTRIES IN MALI

ITIE MALI

ITIE REPORT 2019

Final Version

March

mazars

PYRAMIS

SUMMARY EXECUTIVE

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LIST OF ABBREVIATIONS AND ACRONYMS

AMO	Compulsory Health Insurance
AUREP	Authority for the Promotion of Petroleum Research
BCEAO	Central Bank of West African States
BEECDB	Diamond Evaluation, Certification and Expertise Office
BTP	Building and Public Works
CA	Turnover
CAC	Certified Public Accountant
CCIM	Mali Chamber of Commerce and Industry
CF	Flat-rate contribution
CGI	General Tax Code
CGS	General Solidarity Contribution
CGSP	General Control of Public Services
CMM	Cement and Materials of Mali
CMM	Mali Chamber of Mines
COVEC	Covec SA
CPS	Contribution for Services Provided
DD	Customs Duty
DGD	General Customs Directorate
DGE	Directorate of Large Enterprises
DGI	Directorate General of Taxes
DIAMOND CEMENT	Diamond Cement Mali SA
DNACPN	National Directorate for Sanitation and Control of Pollution and Nuisances
DND	National Directorate of Domains
DNDC	National Directorate for Domains and Cadastres
DNGM	National Directorate of Geology and Mines
DNTCP	National Directorate of Treasury and Public Accounting
DRI	Regional Tax Directorate
EMM	Mali Mineral Waters
FAFP	Vocational Training Support Fund
FEKOLA	Fekola SA
FNEJ	National Fund for Youth Employment
GIE	Economic Interest Group
GOUNKOTO	Kounkoto Gold Mining Company
IAMGOLD	Iamgold Exploration Mali SARL
IFAC	International Federation of Accountants
IGR	General Income Tax
INPS	National Social Security Institute
INTOSAI	International Organization of Supreme Audit Institutions
IRF	Property Income Tax
IRPP	Personal Income Tax
IRVM	Tax on Income from Movable Property
IS/BIC	Corporate Income Tax/Industrial and Commercial Profit Tax
ISA	International Standard on Auditing
ISCP	Special Tax on Certain Products

ISRS	International Standard on Related
ITIE	Extractive Industries Transparency Initiative
ITS	Tax on Salary Processing
KOFI	Kofi Mining Company SA
MCAS	Mining Cadastre Administration System
MMR	Mali Mineral Resources
MORILA	Morila SA
N/A	Not applicable
NAMPALA	Nampala SA
NEVSUN	Nevsun Mali Exploration LTD SA
Tax ID	Tax Identification Number
OGAZ	Oil and Gas Administration System
OHADA	Organisation for the Harmonisation of Business Law in Africa
ONRP	National Office for Petroleum Research
PCS	Community Solidarity Levy
PDRM	Mineral Resources Development Program
PETROMA	Petroma SA
PGSM	Mining Sector Governance Project
GDP	Gross Domestic Product
SME	Small and Medium-sized Enterprises
RANDGOLD	Randgold Resources Mali SA
RAZEL	Razel Mali SA
RML	Resolute Mining Limited
RSL	Rent Retention
SARL	Limited Liability Company
SAS	Simplified Joint Stock Company
SEMICO	Segala Mining Corporation
SEMOS	Sadiola Gold Mining Company
SMK	Komana Mining Company
SOCARCO	Socarco Mali SARL
SOMIFI	Finkolo Mining Company
SOMIKA	Kalana Gold Mining Company
SOMILO	Loulo Mining Company
SOMISY	Syama Mining Company
SONAREM	National Company for the Exploration and Exploitation of Mining Resources in Mali
TEJ	Youth Employment Tax
TFP	Vocational Training Tax
TIPP	Domestic Tax on Petroleum Products
TL	Accommodation Tax
TOFE	Table of State Financial Operations
TP	Business Tax
VAT	Value Added Tax
EU	European Union
WAEMU	West African Economic and Monetary Union
VMA	Vision for Africa's Mining Regime
WASSOULOU	Wassoulou SA
YATELA	Yatela SA

Steering Committee of the Extractive Industries Transparency Initiative in Mali

IMMEUBLE DU CINQUANTENAIRE 1ST FLOOR, HAMDALLAYE ACI
2000, BAMAKO - MALI

March 9, 2022

For the attention of the Chairman of the Steering Committee of the Extractive Industries Transparency Initiative in Mali

The Mazars/Pyramis Group has been appointed by the Steering Committee of the Extractive Industries Transparency Initiative as Independent Administrator for the preparation of Mali's 2019 EITI Report. The work for the preparation of this report has been carried out in accordance with the Terms of Reference (ToR).

Our work was carried out in accordance with the IFAC International Standard on Review Engagements (ISRS 4400). The procedures performed are strictly limited to those described in the terms of reference.

Given that the procedures carried out in accordance with the terms of reference do not constitute an audit in accordance with international auditing standards or a review in accordance with international standards on review engagements, we cannot assure you that issues that might have been identified by the implementation of additional procedures or by an audit in accordance with international auditing standards or a review in accordance with international standards on review engagements have been identified.

The sole purpose of our report is as stated in the first paragraph. The opinions expressed herein are those of the Independent Director and do not in any way reflect the official opinion of the Steering Committee.

For the Pyramis / Mazars Group

Hamadou TINI

Partner, Mazars

Hamadoun MAIGA

Pyramis Partner

EXECUTIVE SUMMARY

This executive summary presents an overview of the 2019 EITI report. In addition to contextual information on the mining and hydrocarbon sector, it presents key figures from the reconciliation of revenue statements from revenue collection agencies with those of extractive companies, data on production, exports, employment, social payments and other data required by the EITI Standard.

➢ Key contextual information on the management of the mining and hydrocarbon sector

The mining and hydrocarbon sector in Mali is characterized by a solid political and institutional framework that includes a national policy document for the development of the mining and oil sector and national structures dedicated to implementing the elements of this policy. Mining and hydrocarbon exploration and exploitation activities are governed by a legal and regulatory framework that complies with regional and international standards on extractive sector governance.

As of December 31, 2019, Mali had 760 mining titles, 226 of which were granted during the same year. Two oil titles were active on the same date. In accordance with the requirements of the 2019 EITI standard, the EITI Mali Steering Committee adopted a plan for the disclosure of mining and oil contracts, the implementation of which has enabled the publication of certain contracts on the websites of the Ministry responsible for mines and hydrocarbons and the permanent secretariat of EITI Mali.

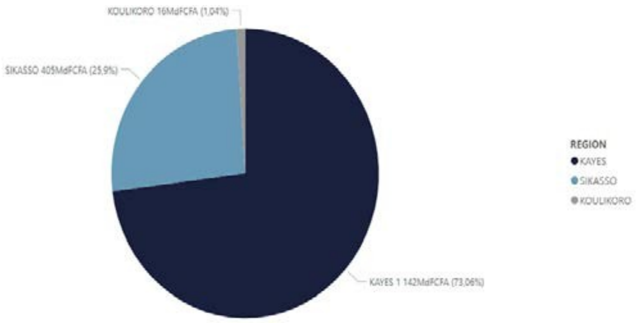
With regard to the disclosure of the beneficial owners of mining and oil companies, Mali remains in its infancy, with the government adopting a draft decree establishing a public register of beneficial owners of extractive companies. The implementation of this new provision should enable the country to comply with the requirements of the 2019 EITI standard.

➢ Key figures for exploration, production and exports

Of the 760 active mining titles as of December 31, 2019, eleven (11) projects are currently at advanced stages of exploration. In the hydrocarbons sector, since 2012, HYDROMA remains the only company in the advanced exploration phase.

Mineral production continues to be dominated by gold, with 65,167 kg worth 1,547 billion, representing nearly 99% of total production. This production remains concentrated in the regions of Kayes and Sikasso.

Figure 1: Breakdown of production by region



Nature	Valeur (XOF)	%
Or	1 546 653 894 693FCFA	98,96%
Eau Minerale	10 865 708 162FCFA	0,70%
Boison aromatisée	2 361 373 402FCFA	0,15%
GRAVILLONS	2 249 565 763FCFA	0,14%
Dolerite	808 601 623FCFA	0,05%
Total	**1 562 939 143 643FCFA**	**100,00%**

Sources: Extractive companies' reporting forms

This production, dominated by gold, is mainly exported to three destinations (South Africa, Switzerland, and the United Arab Emirates). The other substances are sold on the local market.

Figure 2: Distribution of exports by destination

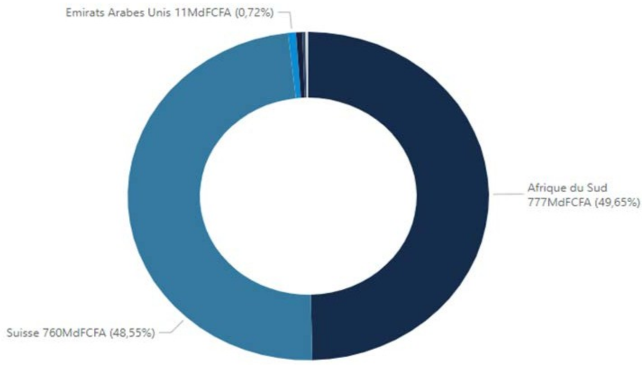
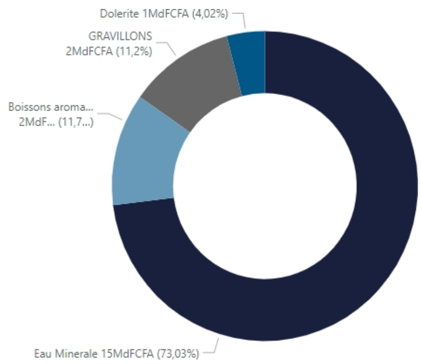


***Figure 3:* Local sales**



Sources: Extractive companies' reporting forms

➢ Key figures on revenues generated by the extractive sector

Based on data reported by state revenue collection agencies, revenues generated by the extractive sector totaled 421 billion CFA francs in 2019, of which 371 billion CFA francs came from extractive companies, representing 88.12%, and 46 billion came from subcontractors. The contribution of extractive companies, excluding subcontractors, breaks down as follows:

- 341 billion CFA francs representing revenues collected by the Public Treasury;
- 30 billion CFA francs representing revenues collected by the INPS.

In addition, extractive companies unilaterally declared social payments of 3 billion CFA francs for 2019. Details of social payments are presented in Annexes 6 , and 7.

Figure 4: Revenues from the extractive sector

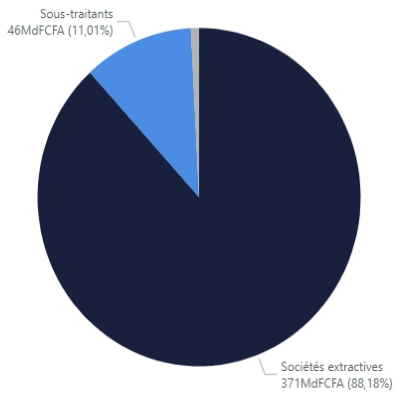
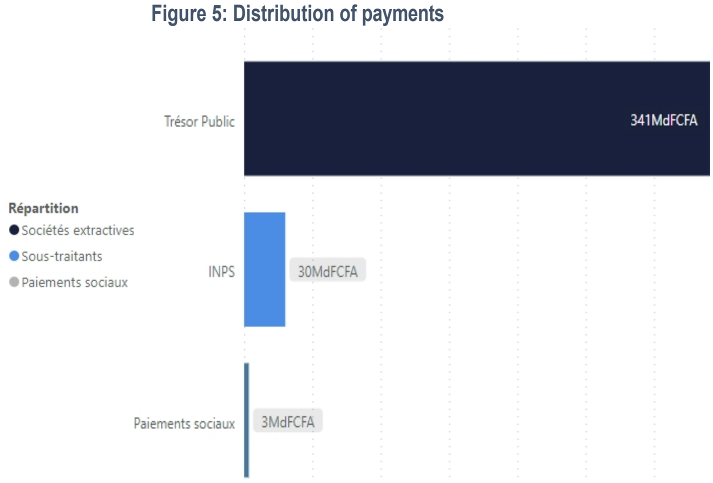


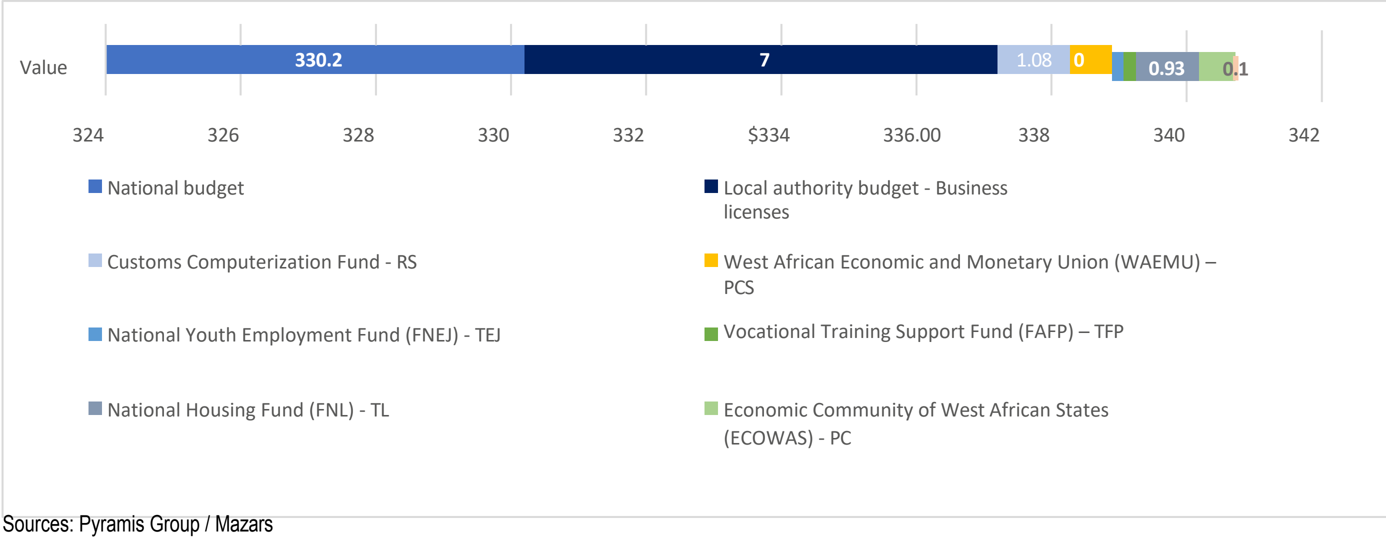
Figure 5: Distribution of payments



Sources: Extractive companies' reporting forms

Revenues generated by the extractive sector in 2019 were allocated to the state budget at a rate of 78.38%. The remainder of the revenue is distributed among the local government budget, the Customs Computerization Fund, the Vocational Training Support Fund, the National Youth Employment Fund, the National Housing Fund, the West African Economic and Monetary Union (WAEMU), and the Economic Community of West African States (ECOWAS).

Figure 6: Budget allocation



Sources: Pyramis Group / Mazars

➢ Reconciliation of revenue declarations by collecting agencies with payment declarations by extractive companies

The reconciliation work revealed initial discrepancies of FCFA 53,945,916,989 between the payment declarations of extractive companies (FCFA 312,745,571,981) and the declarations of collecting agencies (FCFA 366,691,488,970).

The workshop to justify the discrepancies resulted in adjustments to the declarations of extractive companies amounting to FCFA 45,070,747,432 and those of collection agencies amounting to FCFA 133,291,539. The residual discrepancies after adjustments amount to FCFA 8,741,877,839.

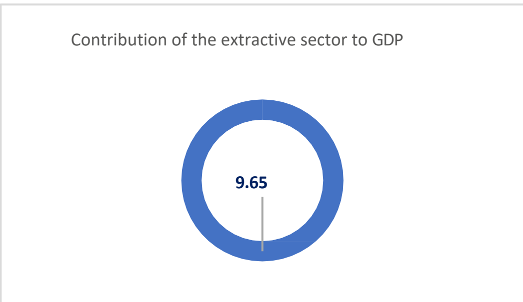
Table 1: Summary of adjustments

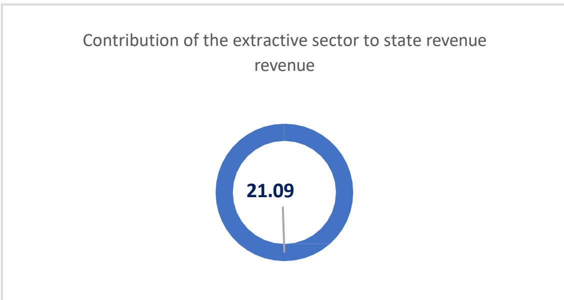
Entities	Initial differences	Adjustments	Differences after adjustments
DGD	- 11,616,079,602	167,347,612	- 11,448,731,990
DGE	- 38,745,522,426	39,510,103,983	764,581,557
DND	- 3,632,863,562	5,270,675,466	1,637,811,904
DNGM	- 247,725,816	232,975,301	- 14,750,515
DRI	327,940,600	- 15,869,400	312,071,200
INPS	- 32,018,683	38,806,188	6,787,505
ONRP	352,500		352,500
Total	**- 53,945,916,989**	**45,204,039,150**	**- 8,741,877,839**

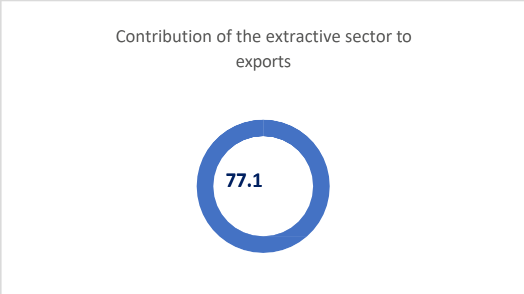
Sources: Extractive companies' and state collection agencies' reporting forms

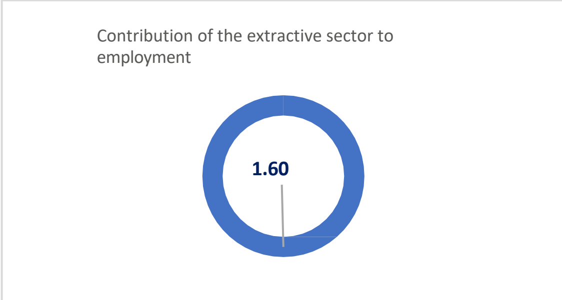
➢ Contribution to the economy

The contribution of the sector as a whole in 2019 is as follows:









Recommendations and follow-up on previous recommendations

The main recommendations made to improve governance in the extractive sector in Mali are as follows:

1. The General Tax Directorate must take steps to transfer all tax files of mining subcontractors to the DGE in accordance with the provisions of Decree No. 2019-0981/P-RM of December 19, 2019, establishing the organization and operating procedures of the Large Enterprises Directorate.
2. the DNGM must collect refining certificates from mining companies and verify the quantities and purity rates declared by exporting companies in accordance with legal provisions;
3. the DGD and the DND must ensure that the estimated prices declared by the extractive entities are consistent with those observed on the international markets. Any significant discrepancies must be justified;
4. The Steering Committee, the Ministry responsible for Mines and Barrick Gold must take the necessary steps to ensure that the quantity of gold produced by the Loulo and Gounkoto complex is declared on a project-by-project basis;
5. The DNGM must ensure that information such as the quantity of minerals produced and sold, mining titles transferred, establishment agreements, mineral reserves, and granting procedures (non-exhaustive list) is published on the MCAS online mining registry.

The table below shows the status of implementation of the recommendations made by previous independent administrators.

Table 2: Table tracking previous recommendations

Row labels	Number of Status	Percentage
Completed	7	30.43
Not executed	7	30.43
Partially implemented	8	34.78
Not applicable	1	4.35
Total	**2**	**1**

Sources: Pyramis Group / Mazars

Completeness and reliability of data

Under the agreed procedures, the reporting forms of the collecting agencies had to be signed by the Director General and certified by the accounts section in accordance with a reporting format that met international auditing standards. As for extractive companies, the reporting forms had to be signed by the Director General and certified by their statutory auditor or an independent auditor.

All extractive companies and collecting agencies provided the completed reporting forms, with the exception of Diamond Cement Mali and Kofi SA, whose reported receipts totaled FCFA 2,363 million, or 0.6% of the revenue receipts reported by the State's collecting agencies of FCFA 368,127,849,593.

As of the date of this report, no collecting agency has submitted a form certified by the Accounts Section of the Supreme Court. Of the 25 extractive companies included in the reconciliation scope:

- 12 forms are not signed by the legal representatives;
- 11 declaration forms have not been signed by the auditors;
- 7 companies have not submitted the auditors' reports and certified financial statements.

In view of the criteria used, the reliability of the data is considered to be low overall.

Limitations of the 2019 EITI report

The conclusions drawn in this report are based on financial data for 2019 and on reforms and significant developments that have occurred since then and up to the date of this report. These conclusions cannot therefore be extrapolated beyond this period, as the laws and context governing the extractive sector are subject to change.

The limitations we encountered in the course of our work are detailed in section
1.5 of this report. They can be summarized as follows:

- the non-receipt of forms from certain extractive entities and financial authorities constitutes a limitation not only on the completeness of the data but also on the reliability of the analysis results;
- the lack of validation of the financial management forms by the accounts section does not guarantee the reliability of the data. The same applies to forms not approved by the extractive companies' auditors;
- The lack of breakdown of DGE declarations by type of payment, resulting in significant discrepancies between the DGE's revenue declarations and payments made by extractive entities, as the latter are not informed in a timely manner of offsets made by the tax administration on its own initiative.

Finally, our work was carried out in the context of the health crisis linked to the COVID-19 pandemic.
19. Nevertheless, we believe that we have been able to collect sufficient data to publish a report with high added value, in compliance with Standard 2019.

For the Pyramis/Mazars Group

Hamadou TINI	Hamadoun MAIGA
Mazars Partner	Pyramis Partner

I. CONTEXT AND OBJECTIVE OF THE ASSIGNMENT

19.1. Background

The Extractive Industries Transparency Initiative (EITI) is a global initiative that promotes transparency in the management of revenues derived from the extraction of natural resources and accountability in the oil, gas, and mining sectors.

The implementation of the EITI is based on two fundamental principles:

- Transparency: Oil, gas, and mining companies publish information about their activities, including payments made to the government, and the government discloses information about its revenues and other relevant information about companies operating in the oil, gas, and mining sectors. These figures are reconciled by an independent conciliator and reported in annual EITI reports alongside other information on the extractive industries value chain.
- Accountability: A multi-stakeholder group (called the Steering Committee in Mali) made up of representatives from the government, mining companies, and civil society is set up to oversee the process, communicate the findings of the EITI report, and promote the integration of the EITI into broader governance and transparency efforts in the country.

The EITI International adopted and published a new standard at its Global Conference held in Paris in June 2019. The mandatory nature of this standard came into effect in 2020 for full implementation. Thus, all EITI implementation work in all member countries must comply with the requirements set out in the new Standard, including the preparation of the EITI report, which is the subject of this document.

One of the EITI Requirements is that the conciliator must be perceived by the Multi-Stakeholder Group as credible, trustworthy and technically competent (Requirement 4.9 (b)(ii)). The Multi-Stakeholder Group and the Independent Administrator are required to address any conflicts of interest. The conciliator's report will be submitted to the Steering Committee for approval and publication in accordance with Requirement 7.1. The requirements of the standard that countries implementing the EITI must meet are set out in the EITI Standard.

The Terms of Reference for the mission include "agreed procedures" for EITI reporting in accordance with EITI Requirement 4.9 (b) (iii). The EITI Board developed these procedures to promote greater consistency and reliability in the EITI reporting process. The Board suggests ensuring that the process builds as much as possible on existing procedures and institutions, i.e. that the EITI process draws on existing data collection and audit systems, which it complements and critically assesses. In this way, the EITI process has the potential to generate important recommendations to strengthen other monitoring systems.

It should be noted, however, that through the publication of the EITI Standard, the Initiative aims to become a tool and platform for advancing reforms aimed at improving governance in the extractive sector. The results and improvements produced by the implementation of the EITI process are expected to be felt across various aspects of the extractive industries value chain.

The institutional framework for the EITI in Mali is established by Decree No. 2019-0006/PM-RM of January 10, 2019, on the creation, organization, and operating procedures of the Extractive Industries Transparency Initiative (EITI) in Mali. This framework includes:

1. a Supervisory Committee to define the guidelines and evaluate the implementation of the EITI process in Mali. It is chaired by the Prime Minister;
2. a Steering Committee responsible for implementing and monitoring the Extractive Industries Transparency Initiative. It is chaired by the Minister of Mines and serves as a forum for consultation between the State, extractive sector companies and civil society;
3. a Permanent Secretariat responsible for implementing the Steering Committee's guidelines. It is organized into three standing committees with the possibility of creating additional ad hoc committees as needed.

The EITI Mali Steering Committee has internal rules of procedure dated February 20, 2019, which define the operating rules and the roles and responsibilities of each stakeholder.

In light of the above, the EITI Mali Steering Committee has engaged the services of a group of internationally reputable firms, free from any conflict of interest, to provide Independent Administrator services in accordance with the 2019 EITI Standard with a view to preparing the EITI Mali report for the period from January 1 to December 31, 2019.

This report is part of that process.

19.2. Objectives

The overall objective of the mission is to produce the EITI Mali Report for the 2019 fiscal year in accordance with the 2019 EITI Standard.

The specific objectives are as follows:

- to strengthen monitoring of the implementation of the EITI process in Mali;
- ensure the completeness and reliability of data on the extractive sector;
- describe the granting and management of licenses in the extractive sector;
- describe the technical and financial criteria considered during the granting and transfer of mining licenses;
- disclose subnational transfers and justify any discrepancies;
- inventory extractive sector data with a view to its systematic integration into government systems;
- disclose the identity of beneficial owners;
- ensure disclosure by project.

19.3. Requirements of the 2019 EITI Standard

The International EITI adopted and published a new standard at its Global Conference held in Paris in June 2019. The standard became mandatory in its entirety on January 1, 2020.

Since that date, all work to implement the EITI in all member countries must comply with the requirements set out in the new standard, including the preparation of the EITI report, which is the subject of this document.

The requirements described in this standard are minimum requirements. Countries implementing the EITI are encouraged to exceed them when stakeholders deem it appropriate.

The main requirements of the standard are presented in the table below:

Table 3: Summary of the requirements of the 2019 EITI standard

Requirements	Description of requirements
REQUIREMENT 1 **Monitored by the multi-stakeholder group**	(1.1) State commitment; (1.2) commitment of businesses; (1.3) commitment of civil society; (1.4) the establishment and functioning of the multi-stakeholder group; (1.5) the adoption of a work plan with clear objectives for the implementation of the EITI, as well as a timetable aligned with the deadlines set by the EITI Board.
REQUIREMENT 2 **Legal and institutional framework, licensing and contracting**	(2.1) legal framework and tax regime; (2.2) licensing; (2.3) license registry; (2.4) contracts; (2.5) effective ownership; (2.6) State participation in the extractive sector.
REQUIREMENT 3 **Exploration and production**	(3.1) information on prospecting/exploration activities; (3.2) production data; (3.3) export data.
REQUIREMENT 4 **Revenue collection**	(4.1) full disclosure of taxes and revenues; (4.2) sale of the State's share of production or other revenues received in kind; (4.3) provision of infrastructure and barter agreements; (4.4) revenues from transportation; (4.5) operations related to state-owned enterprises; (4.6) subnational payments; (4.7) level of disaggregation; (4.8) timeliness of data; (4.9) quality of disclosures and quality assurance.
REQUIREMENT 5 **Revenue allocation**	(5.1) distribution of revenues; (5.2) transfers to subnational levels; (5.3) management of revenues and expenditures.
REQUIREMENT 6 **Social and economic expenditure**	(6.1) social and environmental expenditures by enterprise; (6.2) quasi- budgetary expenditures of state-owned enterprises; (6.3) overview of the contribution of the extractive sector to the economy; (6.4) environmental impact of extractive activities.
REQUIREMENT 7 **Results and impact**	(7.1) broad public debate; (7.2) data accessibility and open data; (7.3) recommendations drawn from the implementation of the EITI; (7.4) review of the results and impact of EITI implementation.

NB: Requirements 1 and 7 are not covered by the Independent Administrator's report.

19.4. Working standard

Our work is conducted in accordance with the international standards for related services ISRS 4400 on "Agreed-Upon Procedures Engagements for Financial Reporting Purposes" and ISRS 4410 on "Compilation Engagements for Financial Reporting Purposes." In accordance with these standards, our work does not constitute an audit or a limited review of extractive sector revenues.

The audit and certification of the data provided are not within the scope of our work. Similarly, our work is not intended to detect errors, fraud, or other irregularities in the data provided by the parties involved. Since the Independent Administrator only provides a report on factual findings based on agreed procedures, no degree of assurance is expressed. It is up to the recipients of the report to evaluate the procedures and factual findings themselves and to draw their own conclusions from the auditor's work.

assurance is expressed. It is the responsibility of the recipients of the report to evaluate the procedures and factual findings for themselves and to draw their own conclusions from the auditor's work.

1.5. Limitations

We encountered the following limitations:

1.5.1. Lack of reporting by certain extractive companies

We were unable to obtain the declaration forms from Diamond Cement Mali and Kofi SA. They account for total payments of FCFA 2,363 million, or 0.6% of the revenue collected by the State collection agencies, which amounted to FCFA 368,127,849,593. The table below provides details:

Table 4: Status of companies that have not completed the declaration form

No.	Companies	Amounts declared by collection agencies in FCFA
	KOFI SA	175,724,515
3	DCM	2,188,040,247
	Total	**2,363,764,762**

Source: Declaration forms from state collection agencies

1.5.2. Non-receipt of comprehensive unilateral declarations from certain collecting agencies

We did not obtain unilateral statements of revenue collected by the DGD on extractive companies not included in the reconciliation scope and subcontractors declared by companies within the reconciliation scope. The list of entities concerned was communicated to the DGD focal point by the SP ITIE. We had not received any feedback as of the date of this report.

In addition, the unilateral revenue statements produced by the INPS Directorate remain incomplete. The list of companies not covered by their statements has been communicated to the focal point by email. To date, we have not received the additional statements.

19.5. 3. No justification for certain discrepancies between the statements of extractive companies

During our reconciliation work, initial discrepancies of around FCFA 51,467,743,990 emerged between the revenue declarations of the collecting agencies (FCFA 361,831,196,074) and those of the extractive entities (FCFA 310,363,452,084). Based on the supporting documents provided by certain entities, a net amount of FCFA 94,185,295 was justified. To date, a residual discrepancy of FCFA 52,027,537,971 remains unaccounted for.

1.5.4. Lack of disaggregation of DGE declarations by type of payment

The reporting form validated by the EITI Mali Steering Committee provides for the reporting of DGE revenues through current declarations and those offset by tax credits from extractive companies.

We were unable to obtain details of DGE receipts by type of payment. This situation creates significant discrepancies between the DGE's revenue statements and payments made by extractive entities, as the latter are not informed in a timely manner of offsets made by the tax administration on its own initiative.

1.5.5. Failure to obtain data on the value added by extractive industries

We were unable to obtain the financial statements of extractive industries in order to determine their contribution to GDP. This situation is due to the failure to communicate the certified financial statements ( ) of extractive companies within the scope of the reconciliation.

II. METHODOLOGICAL APPROACH

In accordance with the terms of reference and our approved technical proposal, the methodological approach for the assignment comprised the following steps:

2.1. Orientation and framing of the mission

The mission's orientation and framing work focused on holding preparatory meetings and conducting the framing study itself.

The objectives of the scoping study were to:
- define the data collection and analysis method,
- define the scope of the study;
- set data reliability criteria;
- validate the data collection form;
- refine the intervention schedule;
- define the mission steering mechanism and the roles and responsibilities of each stakeholder.

The results of the scoping study were validated by the Steering Committee at its third extraordinary meeting held on December 9, 2021.

2.2. Data collection and compilation

In accordance with the requirements of the 2019 EITI standard, data collection and analysis covered both financial and non-financial information.

2.2.1. Data collection

Data collection was carried out using a reporting form approved by the EITI Mali Steering Committee. The form includes the financial data and contextual information required by the EITI 2019 standard.

On December 10, 2021, the EITI Mali Steering Committee held a training workshop for representatives of extractive entities and financial authorities on how to complete the form, certify data, and report information from each entity.

A two-week deadline was given to extractive entities and collecting agencies to complete and share the form in an electronic database designed for this purpose. An additional week was granted for the submission of certification statements from the management of the entities and those of the auditors or the Accounts Section of the Supreme Court for collecting agencies. At the end of this period, reminders and formal notices were sent to entities that had not responded within the agreed time frame. The validated data collection form ( ) consists of 20 pages and is broken down as follows:

Table 5: Summary of the data collection form

Data/Information	Extractive entities	Collecting entities
1. General	v	
2. Total payroll	v	
3. Local suppliers	v	
4. Foreign Suppliers	v	
5. Qualifications/Licenses	v	
6. Declaration form (1)	v	All
7. Declaration form (2)	v	All
8. Payment details	v	All
9. Productions	v	DNGM
10. Exports	v	DNGM/ DGD/DGI
11. Local sales	v	DNGM
12. Capital structure	v	
13. Effective ownership	v	
14. Subcontractors	v	
15. Social payments	v	
16. Barter transactions	v	
17. Loans and grants	v	
18. Allocation / Renewal / Transfer of licenses		DNGM
19. Public Participation		DND
20. Subnational transfers		Regional Treasuries / DRI /Local Authorities

Source: Mazars/Pyramis collection form

2.2.2. Compilation and reconciliation of data

The compilation of financial and non-financial data was carried out using Microsoft Power BI. It consisted of:

- reconciling the payment flows reported by extractive entities with the revenues reported by financial authorities,
- reconciling subnational transfers reported by revenue collection agencies with revenues reported by local authorities,
- identifying significant differences and analyzing their origin,
- sharing discrepancies with the relevant financial authorities and extractive entities in order to obtain explanations and supporting documents,
- examine the responses and supporting documentation provided by financial authorities and extractive entities,
- adjust the data based on the supporting documents produced by the financial authorities and extractive entities.

The EITI Mali Steering Committee has approved the following tolerable discrepancies resulting from the reconciliation of the reporting entities' declarations and the collecting agencies' data:

- 2% of total revenues from extractive entities reported by government entities, i.e., 7.42 billion;
- FCFA 1,000,000, above which a discrepancy requires the collection of supporting documentation from the reporting parties in order to proceed with its analysis and adjustment.

The results of the compilation of financial and non-financial data are presented in section 8.2.

III. SCOPE OF WORK

The 2019 EITI Standard requires comprehensive disclosure of payments made by companies and revenues received by the state from extractive industries. To this end, the multistakeholder group must agree on the payments and revenues that are to be considered significant and therefore reported, adopting appropriate definitions and materiality thresholds. It must also ensure that all reporting entities of the State receiving significant revenues from oil, gas and mining companies will disclose these revenues comprehensively in accordance with the intended scope[1].

The scope of the 2019 EITI report was defined in accordance with the requirements of the standard and the terms of reference of the mission. It was validated by the EITI Mali Steering Committee during the validation workshop for the scoping study.

The sectors covered are mining and hydrocarbons.

3.1. Fiscal period

The fiscal period covered by Mali's EITI report is from January 1 to December 31, 2019.

The dates taken into account are those mentioned on the payment receipt or, failing that, the date of the check or transfer.

3.2. Scope of payment flows

The scope of payment flows used in this report is determined in accordance with the following materiality criteria:

- all payment flows included in the scope of the 2018 EITI report in accordance with the principle of continuity;
- all flows reported by collecting agencies without taking into account a materiality threshold;
- all sub-national transfers and environmental and social payments without applying the materiality threshold (zero threshold);
- payments made on behalf of local and foreign suppliers that have reached a threshold of FCFA 25 million.

[1] Requirements 4.1.b and 4.1.c

Table 6: List of payment flows included in the scope

Collecting agencies	Flow nomenclature	Mining sector	Hydrocarbon sector
General Customs Directorate (DGD)	1. Customs duties	v	v
	2. Penalties and disputes	v	v
Large Companies Division (DGE)	3. Flat-rate contribution payable by the employer	v	v
	4. General Solidarity Contribution (CGS)**	v	v
	5. Contribution for Services Rendered	v	v
	6. Stamp duty	v	v
	7. Registration fee	v	v
	8. Special Tax on Certain Products (ISCP)	v	v
	9. Tax on Salary Processing (ITS)	v	v
	10. Corporate income tax (IS)	v	v
	11. Tax on Income from Securities (IRVM)	v	v
	12. Penalties	v	v
	13. Deductions Taxes on Industrial and Commercial Profits (IBIC) Commercial Profits (IBIC)	v	v
	14. Withholdings Property Income Tax (IRF)	v	v
	15. VAT deductions	v	v
	16. Vocational Training Tax (TFP)	v	v
	17. Housing Tax (TL)	v	v
	18. Youth Employment Tax (TEJ)	v	v
	19. Value Added Tax (VAT)	v	v
	20. Other withholding taxes	v	v
National Directorate of Domains (DND)	21. Dividends	v	
	22. Surface rights	v	
	23. Ad valorem tax	v	
National Directorate of Geology and Mines (DNGM)	24. Surface rights fees	v	
	25. Extraction tax (collection)	v	
	26. Agreement tax	v	
	27. Issuance fee	v	
	28. Renewal fee	v	
	29. Transfer fee	v	
	30. Capital gains tax on transfer of securities	v	
	31. Penalties	v	
Regional Tax Directorates (DRI)	32. Business licenses	v	
	33. Penalties	v	
National Social Security Institute (INPS)	34. Compulsory Health Insurance (AMO)	v	v
	35. Social security contributions	v	v
	36. Penalties and disputes	v	v
National Office for Petroleum Research (ONRP)	37. Promotion and training fund		v
	38. Renewal tax		v
	39. Surface tax		v
	40. Issuance fees		v
All	41. Other expenses	v	v
	42. Other significant cash flows	v	v
	43. Mandatory social payments	v	v
	44. Voluntary social payments	v	v

Source: Pyramis Group/Mazars

** The General Solidarity Contribution was established by Law No. 2018-010 of February 12, 2018, establishing various taxes and levies. It is intended to fund the Sustainable Development Fund for a period of three (3) years.

The general solidarity contribution is based on the pre-tax turnover of companies subject to industrial and commercial profits tax, corporation tax, and the synthetic tax ( ). The rate is set at 0.5%.

3.3. Scope of collecting agencies

The collecting agencies approved by the EITI Steering Committee in the 2019 report are as follows:

Table 7: List of collection agencies selected for the scope

Collecting agencies	Mining sector	Hydrocarbon sector
1. Large Enterprises Directorate (DGE)	v	v
2. Regional Tax Directorate (DRI) Kayes	v	
3. Regional Tax Office (DRI) Sikasso	v	
4. Regional Tax Directorate (DRI) Koulikoro	v	
5. National Directorate of the Treasury and Public Accounting (Regional Treasuries of Kayes, Sikasso, and Koulikoro)	v	v
6. National Directorate of Domains (DND)	v	v
7. General Customs Directorate (DGD)	v	v
8. National Directorate of Geology and Mines (DNGM)	v	
9. National Office for Petroleum Research (ONRP)		v
10. National Institute of Social Security (INPS)	v	v

Source: Pyramis / Mazars

3.4. Scope of local authorities benefiting from subnational transfers

The local authorities benefiting from subnational transfers included in the scope of the report are as follows:

Table 8: List of local authorities benefiting from subnational transfers

Sikasso Administrative Region	Kayes Administrative Region	Administrative Region of Koulikoro
1. Sikasso Regional Authority	1. Kayes Regional Council	1. Koulikoro Regional Council
2 Bougouni District Authority	2. Kayes District Authority	2 Kati District Authority
3. Yanfolila District Community	3. Rural municipality of Sadiola	3. Rural municipality of Kati
4 Rural municipality of Sanso	4. Rural commune of Diamou	4. Rural commune of Mountougoula
5. Rural commune of Wola	5. Kenieba Circle Community	
6. Rural municipality of Domba	6. Rural commune of Kenieba	
7. Rural commune of Gouandiaka (Kalana)	7. Rural commune of Sitakily	
8. Rural commune of Yalankoro Soloba		
9. Sikasso District		
10. Rural commune of Ntjicouna		
11. Rural commune of Finkolo Ganadougou		
12. Kadiolo District		
13. Rural commune of Fourou		

Source: Pyramis / Mazars

3.5. Perimeter of extractive entities

The materiality criteria used by the EITI Mali Steering Committee to select extractive entities and the results obtained are presented below.

3.5.1. Selection criteria and summary of the scope of extractive entities

The materiality criteria validated by the EITI Mali Steering Committee during the scoping study and the summary of the results obtained are as follows:

Table 9: Selection criteria for entities within the reconciliation scope

Selection criteria	Mining sector		Hydrocarbon sector		Total	
	Companies	Amounts in CFA francs	Companies	Amounts in CFA francs	Companies	Amounts in FCFA
Reconciliation scope						
All extractive entities included in the scope of the 2018 EITI report in accordance with the principle of continuity, even if their contributions are below the threshold of FCFA 100,000,000.	2	368,543	1	402,952,406	24	368,946,155,417
All extractive entities whose annual payments reported by collecting agencies reached the materiality threshold ,000,000 100,000,000	1	110,808,513	0	0	1	110,808,513
Subtotal for reconciliation	2	368,654,011,524	1	402,952,406	25	369,056,963,930
Unilateral declaration						
All companies listed in the mining register and the petroleum register whose payments are below FCFA 100,000,000 and including COVEC Mali excluded from the reconciliation scope	15	1,944,312,603	1	56,915,510	1	2,001,228,113
Total	178	370,598,324,127	2	459,867,916	180	371,058,192,043
Overall coverage ratio		99.48		87.62		99.46

Source: Revenue declarations from state collection agencies

NB: COVEC Mali sent a letter dated December 21, 2021, to the Minister of Mines, Energy, and Water explaining that the dolerite quarry located in Fabougoula (Kati) is only an insignificant part of its overall activities. Its main activity is public works and construction (BTP). Consequently, the EITI Mali Steering Committee decided to remove it from the scope of reconciliation at its fourth session on December 23, 2021.

3.5.2. Scope of reconciliation

The table below lists the twenty-five (25) extractive entities selected for reconciliation with the reporting entities' statements.

Table 10: List of extractive entities within the conciliation perimeter

No	NIF	TAXPAYER DESIGNATION	ACRONYMS	SUBSTANCES
Mining				
1	081102335F	CIMENTS ET MATÉRIAUX DU MALI SA	CMM	Quarrying
2	081104190G	DIAMOND CIMENT MALI SA	DIAMOND CEMENT	Quarrying
3	087800040B	SYAMA MINING COMPANY	SOMISY	Gold mining
4	087800054F	MALI MINERAL WATER COMPANY	EMM	Mineral water exploitation
5	087800209E	GOLD MINING COMPANY OF SADIOLA SA	SEMOS	Gold mining
6	087800300L	LOULO MINING COMPANY	SOMILO	Gold mining
7	087800368L	MORILA MINING COMPANY	MORILA	Gold mining
8	087800378X	SEGALA MINING CORPORATION	SEMICO	Gold mining
9	087800492H	FABOULA GOLD SA	FABOULA	Gold mining
10	087800500E	SOCARCO SARL	SOCARCO	Quarrying
11	087800504A	KALANA GOLD MINING COMPANY	SOMIKA	Gold mining
12	087800533T	NEVSUN LTD	NEVSUN	Research
13	087800566G	MALI MINERAL RESOURCES SA	MMR	Exploration Bauxite
14	087800681E	IAMGOLD EXPLORATION MALI SARL	IAMGOLD	Gold exploration
15	087800766A	GOUNKOTO MINING COMPANY	GOUNKOTO	Gold mining
16	087800776J	NAMPALA SA	NAMPALA	Gold mining
17	087800795T	FINKOLO MINING COMPANY	SOMIFI.SA	Gold mining
18	087800828P	KOMANA MINING COMPANY	SMK	Gold mining
19	087800848K	FEKOLA-SA	FEKOLA	Gold mining
2	087800382N	YATELA SA	YATELA	Gold mining
21	087800709Y	Razel Mali Sarl	RAZEL	Quarrying
22	087800180A	BARRICK GOLD MALI SARL	RANDGOLD	Gold exploration
2	084122677T	TIMBUKTU Resources SARL	TIMBUKTU	Lithium exploration
2	081127797Y	KOFI SA	KOFI.SA	Gold mining
Hydrocarbon sector				
25	087800617C	HYDROMA (formerly PETROMA)	HYDROMA	Oil exploration

Source: Pyramis Group / Mazars

3.5 Scope of entities included in the unilateral declaration

In accordance with the selection criteria set out below, the EITI Mali Steering Committee has selected 155 extractive entities for unilateral reporting. Details are provided in Annex 2.

In addition, 114 subcontractors are reported by the extractive entities selected for reconciliation and selected for unilateral reporting by the revenue collection agencies.

Details are provided in Annex 2.

IV. POLITICAL, LEGAL, AND INSTITUTIONAL FRAMEWORK

The EITI requires disclosures to include information on the management of the extractive sector and enable stakeholders to understand the laws and procedures relating to the granting of exploration and production rights, the legal, regulatory and contractual framework applicable to the extractive sector, and the institutional responsibilities of the State in the management of the sector.

4.1. Political and strategic framework for the mining and petroleum sector

The Government of Mali has always attached particular importance to the development of the mining sector. In January 2020, it adopted a national policy document for the development of the mining and oil sector.

The main objective assigned to the mining sector is to substantially increase the share of mining products in GDP in order to improve the social welfare of the Malian people through the fair distribution of income from the sector and to promote sustainable development for communities living around the mines.

In short, the mining sector must ensure the promotion of "fair and optimal exploitation of mineral resources for broad-based sustainable growth and sustained socio-economic development."

This national policy is part of the African Mining Vision (AMV) adopted in February 2009 by governments, whose main objective is to promote "equitable and optimal exploitation of mineral resources for broad-based sustainable growth and socio-economic development."

The mining and petroleum sector development policy is divided into seven (7) strategic areas and accompanied by a five-year action plan for 2019-2023.

The implementation of this policy should lead to an improvement in the trade balance, increased tax revenues, the development of related activities (transport, services, in- , supplies, etc.) and the emergence of a local processing industry.

4.2. Legal and institutional framework

4.2.1. Institutional framework for the extractive sector

The main actors involved in the mining and hydrocarbon sector are set out in Decrees No. 2021-0474/PT-RM of July 26, 2021, establishing the specific powers of members of the government, and Decree No. 2021-0475/PM-RM of July 26, 2021, on the distribution of public services between the Prime Minister's Office and the ministerial departments.

The table below lists the actors in the institutional framework of the mining and hydrocarbon sector, along with their missions and the relevant reference texts.

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[2] Requirement 2.

[3] National policy for the development of the sector

Table 11: Institutional framework for the mining and hydrocarbon sector

Structures	Functions	References
Office of the Prime Minister	- Signing of mining company operating permits - Signing of contracts for operating permits for oil and gas companies	- 2015 Petroleum Law - Mining Code 2019
Ministry of Mines, Energy and Water	- Prepare and implement national policy on research, exploitation and development of mineral, energy and water resources	- Decrees No. 2021-0474/PT-RM of July 26, 2021, establishing the specific powers of the members of the Government
National Directorate of Geology and Mines (DNGM)	- Developing the elements of national policy in the field of research, development, exploitation, and processing of underground resources; - Ensuring the coordination of services and public or private bodies involved in the implementation of this policy.	- Law No. 90-105/AN-RM of October 11, 1990, establishing the National Directorate of Geology and Mines - Decree No. 02-583/P-RM of December 20, 2002, establishing its Organization and operating procedures of the DNGM
National Office for Petroleum Research (ONRP)	- Conduct research and promote hydrocarbon resources in Mali's subsoil for the development of the upstream oil sector.	- Order No. 2020-011/P-RM of March 23, 2020 establishing the National Office for Petroleum Research - Decree No. 2020-0271/P-RM of June 11, 2020, establishing the organization and operating procedures of the National Office for Petroleum Research Oil
Diamond Evaluation, Certification and Expertise Bureau (BEECDB)	- To promote transactions in rough diamonds mined in the Republic of Mali or imported under the conditions defined by the regulations in force.	- Law No. 2011-070 of November 25, 2011 establishing the office for the appraisal, evaluation, and certification of rough diamonds
Program for the Development of Mineral Resources (PDRM)	- Ensure the execution of field work for the DNGM and for third parties	-
Mali Chamber of Mines (CMM)	- Organize and represent individuals and legal entities operating in various mining sectors	- Ordinance No. 2018-021/P-RM of August 8, 2018 establishing the Chamber of Mines of Mali - Decree No. 2018-0656/P-RM of August 8, 2018, establishing the organization and operating procedures of the Chamber of Mines of Mali
Mining and Energy Sector Planning and Statistics Unit	- In conjunction with the relevant technical services, carry out planning and statistical information tasks in the areas covered by the sector (Mining and Energy)	- Law No. 07-020 of February 27, 2007 establishing Planning and Statistics Units - Decree No. 07-166/P-RM of May 28, 2007 establishing the organization and operating procedures of the Planning and Statistics Units Regional and Subregional
Regional and subregional geology and mining services	- Represent the National Directorate of Geology and Mines at the regional or district level in Bamako	- Decree No. 02-585 P-RM of December 20, 2002 establishing regional and subregional services for geology and mining subregional services for geology and mining

Structures	Missions	References
Extractive Industries Transparency Initiative (EITI)	The institutional framework of EITI Mali consists of: - A Supervisory Committee, which defines the guidelines and evaluates the implementation of the EITI process; - A Tripartite Steering Committee composed of representatives of the State, extractive industry companies and civil society. It is responsible for implementing and monitoring the EITI; - A Permanent Secretariat, which is the executive body of the Steering Committee.	- Decree 2019-0006/PM-RM of January 10, 2019, establishing the structure, organization, and operating procedures of the bodies of the Extractive Industries Transparency Initiative (EITI)

Sources: Texts establishing the creation, organization, and operating procedures of the various structures

4.2.2. Legal framework

The mining and hydrocarbon sector in Mali is governed by the following texts:

➢ **Mining codes and their implementing regulations:**

- Ordinance No. 91-65/P-CTSP of September 19, 1991, establishing the mining code;
- Law No. 2020-010 of May 11, 2020 ratifying Ordinance No. 2019-022/P-RM of September 27, 2019 on the Mining Code in the Republic of Mali;
- Ordinance No. 99-032/P-RM of August 19, 1999 establishing the Mining Code in the Republic of Mali;
- Decrees No. 99-255/P-RM of September 15, 1999, establishing the terms and conditions for the application of the Mining Code in the Republic of Mali;
- Ordinance No. 00-013/P-RM of February 10, 2000, amending Ordinance No. 99-032/P-RM of August 19, 1999, establishing the Mining Code in the Republic of Mali;
- Law No. 2012-015 of February 27, 2012, establishing a new Mining Code;
- Decree of June 21, 2012, establishing the conditions and procedures for the application of the law on the mining code;
- Decree No. 2012-490/PM-RM of September 7, 2012, approving the standard agreement for the prospecting, exploration, and exploitation of mineral substances in the Republic of Mali;
- Decree No. 2013-690-P-RM of August 28, 2013, amending Decree No. 2012-311/P-RM of June 21, 2012, establishing the conditions and procedures for the application of the law establishing the mining code;
- Decree No. 2012-490/PM-RM of September 7, 2012, approving the standard agreement for the prospecting, exploration, and exploitation of mineral substances in the Republic of Mali;
- Ordinance No. 2019-022/P-RM of September 27, 2019, establishing the mining code in the Republic of Mali;
- Decree No. 2020-0177/PT-RM of November 12, 2020, establishing the conditions and procedures for the application of the Mining Code in the Republic of Mali.

➢ **Petroleum Law and its implementing texts:**

- Law No. 2015-035 of July 16, 2015 on the organization of hydrocarbon exploration, exploitation, and transportation;

- Decree No. 2016-0272-P-RM of April 29, 2016, establishing the terms and conditions for the application of Law No. 2015-035 of July 16, 2015, on the organization of hydrocarbon exploration, exploitation, and transportation;
- Law of August 2, 2004 on the organization of hydrocarbon exploration, exploitation, transport, and refining;
- Decree of September 8, 2004, establishing the terms and conditions for the application of Law No. 04-037 of August 2, on the organization of hydrocarbon exploration, exploitation, transport, and refining;
- Law of July 23, 2008 Amending Law No. 04-037 of August 2, 2004 on the organization of hydrocarbon exploration, exploitation, transportation, and refining;
- Decree of August 7, 2008 Establishing the conditions and procedures for extending exploration authorizations;
- Standard production sharing agreement.

➢ **Other legal and regulatory texts containing provisions relating to the mining sector**

- Law No. 06-067 of December 29, 2006 on the general tax code and subsequent texts;
- Law No. 06-068 of December 29, 2006, establishing the tax procedures manual and subsequent texts;
- Law No. 01-075 of July 18, 2001, establishing the Customs Code and subsequent texts;
- Law No. 2012-016 of February 27, 2012, establishing the Investment Code;
- Ordinance No. 00-27/P-RM of March 22, 2000 on the State Property Code;
- Community Mining Code.

4.2.3. Tax regime

4.2.3. Mining

Mining companies benefit from a special tax regime enshrined in the various Mining Codes and Establishment Agreements they have concluded with the Government of the Republic of Mali.

The agreements constitute the main legal reference between the State of Mali and the various mining companies. They generally provide that: "...no other tax, duty, contribution or levy of any kind, whether direct or indirect, which is or may be imposed by the State at any level, shall be payable by the Parties, their affiliates or their subcontractors during the period of operation..." This stability clause means that no new taxes created after the agreement was signed will be levied on these mining companies, except with their agreement or if the provisions are more favorable to them.

The agreement shall be the applicable law between the State of Mali and the mining company, subject to public policy provisions. Indeed, Malian laws in force at the time of signing the agreements shall be taken into account on a supplementary basis, to the extent that the agreements do not comprehensively address the issues.

The tables below summarize the taxes and duties applicable to mining companies.

4.2.3.1.1. Exploration phase

The table below summarizes the taxes and duties applicable to mining companies during the exploration phase.

Table 12: Summary of taxes and duties for mining companies in the research phase

Tax	1991 Mining Code		1999 Mining Code		Mining Code 2012		2019 Mining Code	
applicable taxes	Rate	Reference	Rate	Reference	Rate	Reference	Rate	Reference
Annual land value tax	50 F/KM2 1st period 100 F/KM2 1st renewal 200 F/KM2 2nd renewal.	Article 92 of the Mining Code	1,000 CFA francs/km/year 1st period 1,500 F/KM 1st renewal 2,000 F/KM 2nd renewal.	Article 104 of the Mining Code	Varies from 3,000 to 10,000 CFA francs depending on the period and the substance.	Article 120 of the Mining Code	Varies from 3,000 to 10,000 CFA francs depending on the period and the substance.	Article 109 of the Mining Code
Extraction or collection tax	100 CFA francs/m3	Article 95 of the Mining Code	300 CFA francs/m3 200 F/M3	Article 106 of the Mining Code	Proportional to the volume of quarried substances extracted or collected, amounting to 500 CFA francs for exploitation and 200 CFA francs for the opening phase.	Article 122 of the Mining Code	Proportional to the volume of quarry substances extracted or collected and amounts to F CFA 500 for exploitation and 200 FCFA for the opening phase.	Article 111 of the Mining Code
Capital gains on direct and/or indirect sales	CGI (General Tax Code) the most favorable tax regime	Article 103 of the Mining Code	10	Article 18.2 K of the Mining Code	set by decree	Article 123 of the Mining Code	CGI (The calculation is provided for in Articles 55 and 56 CGI)	Article 112 of the Mining Code
CF (Flat-rate contribution)	Current rate 3.5% more favorable provision	Article 22.2 H of the Mining Code	Current rate 3.5% more favorable provision	Article 18.7 A of the Mining Code	Current rate 3.5% more favorable provision	Article 125 C of the Mining Code	Current rate 3.5% more favorable provision	Article 115 B of the Mining Code
TL (Housing Tax)			1	Article 18.7 I of the Mining Code	1	Article 125 C of the Mining Code	1	Article 115 C of the Mining Code

Taxes	Mining Code 1991		Mining Code 1999		Mining Code 2012		Mining Code 2019	
Social Security Contributions	text in force	Article 22.2 I of the Mining Code	text in force	Article 18.7 C of the Mining Code	text in force	Article 125 A Mining Code	text in force	Article 115 D Mining Code
ITS	Scale in force	Art 22.2 J Standard agreement (IGR)	Scale in force	Art. 18.7 C Mining Code	Scale in force	Art. 125 E Mining Code	Scale in Force	Art. 115 E Mining Code
Vignettes on Vehicles	Applicable Proportion	Article 22.2 K of Mining Code	Quota in Force	Article 18.7 E of the Mining Code	Proportion in force	Article 125 G of the Mining Code	Quota in force	Article 115 F of the Mining Code
Taxes on Insurance Contracts	NA	NA	Rate in Force	Article 18.7 F of the Mining Code	Rate in Force	Article 125 G of the Mining Code	Current rate	Article 115 G of the Mining Code
Registration fee	NA	NA	Current CGI provision more favorable	Article 18.7 G of the Mining Code	CGI Current provision more favorable	Article 125 H of the Mining Code	CGI Current provision more favorable	Article 115 G of the Mining Code
Internal Verification Program	NA	NA	Tariff in force	Article 18.7 F of the Mining Code	Current rate	Article 125 I of the Mining Code	Tariff in Force	Article 115 H of the Mining Code
Statistical Fee	NA	NA	Current rate	Article 18.7 L of the Mining Code	Rate in force	Article 125 J of the Mining Code	Current rate	Article 115 J of the Mining Code
TEJ (Youth Employment Tax)	NA	NA	NA	NA	Current CGI provision more favorable	Article 125 of the Mining Code	NA	NA
TFP (Professional Training Tax)	NA	NA	Current CGI provision more favorable	Article 18.7 H of the Mining Code	CGI Current provision more favorable	Article 125 of the Mining Code	NA	NA

Source: General Tax Code, Book of Tax Procedures, Mining Codes

4.2.3.1.2. Operational phase

The table below summarizes the taxes and duties to which mining companies are subject during the exploitation phase.

Table 13: Summary of taxes and duties for mining companies in the exploitation phase

Tax	1991 Mining Code		Mining Code 1999		Mining Code 2012		Mining Code 2019	
taxes applicable	Rate	Reference	Rate	Reference	Rate	Reference	Rate	Reference
IS/BIC	45	Article 22.5 "Standard Agreement" Exempt during the first five years following the first production "***The taxable net profit is determined in accordance with Articles 103 and 104 of the Mining Code*** ***"***	35	Article 109 of the Mining Code "***The taxable net profit is determined in accordance with Articles 18.13 and 18.14 of the implementing decree and the agreement.***	25% (Over fifteen years from the date of commencement of production)	Art. 126 of the Mining Code and Art. 128 of the Mining Code "***The taxable profit for IS-IBIC purposes is determined in accordance with the provisions of the General Tax Code."***	25% over a period of three (03) years from the date of first commercial production.	Art. 116 of the Mining Code and Art. 117 of the Mining Code ***"The taxable profit subject to IS-IBIC is determined in accordance with the provisions of the General Tax Code."***
IBIC retention	N/A	NA	(17.5% of the amount after deduction)	Article 111 of the Mining Code	(15% of the amount after deduction)	Article 129 of the Mining Code	(15% of the amount after deduction)	Art. 118 of the Mining Code
Flat-rate contribution payable by employers	8.5	Article 22.2 H of the standard agreement "benefits in kind are not part of the base"	Initially 5.5% but reduced to 3.5%	Article 109 of the Mining Code "including benefits in kind"	3.50	Art. 126 of the Mining Code "including benefits in kind"	3.5	Art. 116 of the Mining Code "including benefits in kind"

Tax	Mining Code 1991		Mining Code 1999		Mining Code 2012		Mining Code 2019	
License fees and related contributions	10% for proportional rights road tax 5% of business license fees CCIM contribution 10% of business license fees	Article 22.2 F of the standard agreement. Payable after exemptions for the first three years following the first production	10% for proportional duties road tax 5% of business license fees CCIM contribution 10% of business license fees	Article 109 of the Mining Code	10% for proportional rights road tax 5% of business license fees CCIM contribution 10% of business license fees	Art. 126 of the Mining Code	10% for proportional rights road tax 5% of patent rights CCIM contribution 10% of patent rights	Art. 116 of the Mining Code
IRVM	N/A		10% for dividends	Art. 109 of the Mining Code	10% for dividends paid.	Art. 126 of the Mining Code	10% for dividends distributed paid.	Art. 116 of the Mining Code
ITS	IGR (General Income Tax)	Article 22.5 J "Agreement Type	Scale in force	Art. 109 of the Mining Code	Scale in force	Art. 126 of the Mining Code	Scale in force	Art. 116 of the Mining Code
The royalty on overproduction	NA	NA	NA	NA	Overproduction of more than 10% is taxed in accordance with common law.	Art. 124 of the Mining Code	Art. 113 of the Mining Code Overproduction is taxed as follows: 3% between 10 and 20 4% between 20 and 30 5% between 30 and 40 6% between 40 and 50 8% above 50%.	Article 113 of the Mining Code
ISCP	3% CPS (Contribution for services rendered)	Article 22.2 N of the Model Agreement "The taxable base for ISCP on mining products is the Carreau Mine value"	3	Article 105 of the Mining Code "The taxable base for ISCP on mining products is the turnover excluding taxes."	3	Art. 122 of the Mining Code: "The taxable base for ISCP is turnover excluding VAT."	3	Art. 110 of the Mining Code: "The taxable base for ISCP is turnover excluding VAT."

Tax	Mining Code 1991		Mining Code 1999		Mining Code 2012		Mining Code 2019	
Tax on insurance contracts, with the exception of construction vehicles and/or other vehicles exclusively used for exploration or prospecting operations;	4% for insurance contracts covering risks of any kind relating to maritime, river, air or land navigation. 20% for all other insurance contracts. Payable after the first three years of operation.	Art. 22.3 of the Model Convention	4% for insurance contracts covering risks of any kind relating to maritime, river, air or land navigation. 20% for all other insurance contracts.	Art. 109 of the Mining Code	4% for insurance contracts covering risks of any kind relating to maritime, river, air or land navigation. 20% for all other insurance contracts.	Art. 126 of the Mining Code	4% for insurance contracts covering risks of any kind relating to maritime, river, air or land navigation. 20% for all other insurance contracts.	Art. 116 of the Mining Code
Stamp duty on export declarations	NA	NA	Fixed fee	Art. 109 of the Mining Code	Fixed fee	Art. 126 of the Mining Code	Sliding scale up to 500,000 CFA francs: 600 CFA francs per 50,000 F or fraction of 50,000 F • bracket excess 500,000 CFA francs: 3,000 F per 500,000 F or fraction of 500,000 F	Art. 116 of the Mining Code
Registration fees	Fixed fees and proportional fees Payable after three years of exemption from the date of first production	Article 22.2 of the Agreement	Fixed fees and proportional fees	Article 109 of the Mining Code	Fixed rights and proportional rights	Article 126 of the Mining Code	Fixed rights and proportional rights	Art. 116 of the Mining Code

Taxes	Mining Code 1991		Mining Code 1999		Mining Code 2012		Mining Code 2019	
Capital gains on the sale or transfer of mining rights	NA	NA	10	Art. 18.2 of the Mining Code	10% of the amount excluding tax and 1% in the event of a capital loss on the value excluding tax of the project as defined by the feasibility study	Article 123 of the Mining Code	The calculation is provided for in Articles 55 and 56 of the CGI.	Art. 112 of the Mining Code
Surface rights for operating permits operating permits	50,000/km2 per year	Article 22.2 G of the Agreement.	100,000/KM per year	Article 104 of the Code	Fixed fee	Article 108 of the Decree implementing the Code	Fixed fee in accordance with the Decree implementing this Code	Art. 109 of the Mining Code
Additional surface rights fees for operating permits	Payable after the first 3 years of production 75,000 F/KM2	Article 22.3 A						
Ad valorem tax	3	ART 22.2 M and ART 22.3 C of the Model Agreement "Repatriation of foreign exchange earned from the export of substances"	3	ART 121 of the Mining Code "the basis is the mine-gate value of the substances extracted, whether exported or not, less intermediate costs and charges"	3% for mining products in groups 1 and 2 1% for mining products in groups 3, 4, and 5	Article 121 of the Mining Code: "The basis is the value at the mine mouth of the substances extracted, whether exported or not, less intermediate costs and charges."	3% for mining products in groups 1 and 2 1% for mining products in groups 3, 4, and 5	Article 110 of the Mining Code "the basis is the value ex mine of the extracted substances, whether exported or not, less any costs and charges intermediate costs and charges."
Extraction and collection tax on materials	100 F/m3	Art. 95 of the Mining Code	Fixed fee of 300 F/m3 for industrial quarries, 200 F/m3 for artisanal quarries.	Art. 106 of the Mining Code	on the volume of quarry substances extracted or collected, amounting to 500 CFA francs for exploitation and 200 CFA francs for the opening phase.	Art. 122 of the Mining Code	on the volume of quarry substances extracted or collected, amounting to F CFA 500 for exploitation and 200 FCFA for the opening phase.	Art. 111 of the Mining Code

Taxes	Mining Code 1991		Mining Code 1999		Mining Code 2012		Mining Code 2019	
TEJ	NA	NA	NA	NA	2	Art. 126 of the Mining Code	2	Art. 126 of the Mining Code
TFP	NA	NA	NA	NA	2.00	Art. 126 of the Mining Code	2	Art. 126 of the Mining Code
TL	1	Sections 22.2 and 22.3 payable after the first three (3) years of exemptions	1	Arts 108 and 109 of the Mining Code	1	Arts 125 and 126 mining code	1	Arts 109 and 116 of the Mining Code
Vignette on vehicles, with the exception of heavy vehicles exclusively used for prospecting or research operations prospecting or research operations	Following Quantity	Sections 22.2 and 22.3 payable after the first three (3) years of exemptions	Depending on quantity	Articles 109 and 116 of the Mining Code	According to quota	Art. 126 of the Mining Code	According to quota	Art. 116 of the Mining Code
Fee for issuing or renewing an operating permit	700,000	ART 22.2	2,000,000	Art 103 Mining Code	NA	Art. 107 of the implementing decree	Varies from 50,000 CFA francs to 50,000,000 depending on the substance group.	Art. 208 of the implementing decree
VAT	18	Article 22.2 Standard agreement, exempt during a period ending at the end of the third year following the date of commencement of production.	18	Articles 109 and 110 of the Mining Code, exempt during a period ending at the end of the third year following the date of commencement of production.	18 and a reduced rate of 5%	Article 127 of the Mining Code, exempt for a period ending at the end of the third year following the date of commencement of production.	Article 116 of the Mining Code 18 and a reduced rate of 5%	Art. 116 of the Mining Code **"No exemption after the third year following the date of commencement of production."**

Charges and social contributions	in accordance with INPS regulations	Art. 22.2 and 22.3 of the standard agreement	in accordance with INPS texts	Art. 109 of the Mining Code	in accordance with INPS texts	Art. 126 of the Mining Code	in accordance with INPS regulations	Art. 116 Mining Code
Tax	**Mining Code 1991**		**Mining Code 1999**		**Mining Code 2012**		**Mining Code 2019**	
Contribution to the Verification Program for (P.V.I.)	Tariff in force	NA	Tariff in force	Art. 109 of the Mining Code	Tariff in force	Art. 126 of the Mining Code	Current rate	Art. 116 of the Mining Code
Statistical fee	1	NA	1	Art. 109 of the Mining Code	The Statistical Tax Rate (RS) is set at 1%, applicable to all products	Art. 126 of the Mining Code	The Statistical Royalty Rate (RS) is set at 1%, applicable to all products	Art. 116 of the Mining Code
PC	1	NA	1	NA	1	Art. 133 of the Mining Code	1	Art. 121 of the Mining Code
PCS	1	NA	1	NA	1	Art. 133 of the Mining Code	1	Art. 121 of the Mining Code

Source: General Tax Code, Book of Tax Procedures, Mining Codes

4.2.3. Oil and gas sector

The hydrocarbon exploitation and transportation sector benefits from special tax and customs status. Unless expressly provided otherwise, the domestic or port tax law applicable to the situation or activity of hydrocarbon exploitation and transport is that laid down by Law No. 2015-35 of July 16, 2015, and its implementing decree No. 2016-0272/P-RM of April 29, 2016, which sets out the terms and conditions for the application of the latter.

In Mali, there are currently no companies in operation. The companies operating there are in the reconnaissance and/or exploitation phase .

Table 14: Summary of the tax regime for the hydrocarbon sector

Inland Tax Regime	Applicable rate or scale	Reference
Issuance of a:	Authorization for recognition 2,500,000 CFA francs Research authorization 5,000,000 CFA francs Exploitation authorization 100,000,000 CFA francs Transport authorization 100,000,000 CFA francs	Article 83: "All Licensees are subject to the following fees upon the granting, renewal, extension, and any transfer of its Authorization, upon payment of fixed fees calculated according to the schedule"
Renewal of:	Authorization for recognition None Authorization for research 5,000,000 CFA Authorization to operate 100,000,000 CFA francs Transport authorization 100,000,000 CFA francs	
Transfer of:	Recognition authorization None Research authorization 5,000,000 CFA Operating authorization 100,000,000 CFA francs Transport authorization 100,000,000 CFA francs	
Payment of a signing bonus	The amount of the bonus is set out in the Petroleum Contract. Whether or not this Signing Bonus is taken into account for the purposes of calculating the Cost Oil is subject to a provision of the Production Sharing Agreement.	
annual surface royalties during the Exploration phase Exploration phase and during the Exploitation phase	set by the decree implementing the contract	Article 84
payment of duties, contributions, taxes and common law taxes	in accordance with the General Tax Code and the Book of Tax Procedures.	Article
Export tax	The rate is set in the Implementing Decree.	Article
Domestic Tax on Petroleum Products (TIPP).	Article 253 of the CGI "The rates of the Domestic Tax on Petroleum Products are set by order of the Minister responsible for finance."	Article 87
Capital gains on disposal	The terms and conditions of taxation are defined in the Implementing Decree.	Article
Deficit carryover for a period of (3) years.		Article
The rules governing the assessment, settlement, collection, control, penalties, limitation periods and disputes relating to taxes, duties and fees are those laid down by tax legislation, subject to the specific provisions of this law.	General Tax Code and the Book of Tax Procedures and Articles 83 to 100 of this law.	Article

Source: Petroleum Law of 2015 and its implementing decree

4.2.4. Reforms of the extractive sector

The tax reform process initiated by the Malian government since the introduction of the Mining Code in 1991 is underway. The aim of these reforms was to bring the provisions of the Mining Codes into line with the General Tax Code. As a result, most of the tax provisions contained in the 2012 and 2019 Mining Codes have been transferred to the General Tax Code to make them ly applicable under ordinary law.

4.2.4.1. Amendment of the Mining Codes

1. Integration of Malian companies into the value chain

The decree usefully specifies the conditions for implementing the "National Supply Plan" and the "SME Training Plan" provided for in Article 141 of the Mining Code. The Malian government's objective is to guarantee local companies a minimum level of participation in the supply of goods and services to the various mining operators, depending on the different phases of mine development. It is thus provided that, during the development phase of the mine, 15% of the value of contracts for the supply of goods and services to mining companies must be provided by Malian companies. This percentage is set at 30% from the 11th year of operation of a mine.

2. Use of Malian personnel

The decree sets out ambitious provisions on the minimum quota of Malian employees who must be part of the workforce of a company holding an operating permit. Thus, from the first to the fifth year of a mine's operation, 30% of senior management, 40% of middle management, 50% of skilled workers, and 100% of unskilled workers must be Malian nationals.

3. Direct and/or indirect capital gains

In accordance with the provisions of Article 112 of the 2019 Mining Code, "Capital gains from the direct or indirect sale or transfer of mining titles or corporate rights are considered extraordinary income. The capital loss on the sale or transfer of mining securities or corporate rights is considered an exceptional expense or loss." Since the advent of the 2019 Mining Code and unlike other Mining Codes, this capital gain is calculated in accordance with the common law provisions of Articles 55 and 56 of the CGI at 30%.

4. Corporate Tax and Industrial and Commercial Profits Tax

Article 117 of the 2019 Mining Code stipulates that "…Holders of Large Mine or Small Mine Operating Permits shall benefit from a reduction in the rate of Industrial and Commercial Profit Tax or Corporate Tax (IBIC-IS) to 25% for a period of three (03) years from the date of first commercial production."

This new provision ended the total exemption from CIT and IBIC on mining companies' profits from five to three years starting from the third year of production. In addition, it also ended the reduced rate of 25% over a period of fifteen (15) years under the 2012 Mining Code. Furthermore, in the 2019 Mining Code, the determination of the tax base for IS/IBIC was referred to the General Tax Code.

5. IBIC and IRVM withholding tax

These two taxes did not exist under the 1991 Mining Code and were the basis of various disputes between the tax authorities and the various mining companies that did not have these taxes listed among the taxes to be withheld. Successive Codes have taken this concern into account.

Thus, Articles 111 of 1999, 129 of 2012, and 118 of 2019 stipulate that "Holders of Large Mine or Small Mine Operating Permits and their subcontractors are required to withhold income tax and IBIC at source on sums paid to any natural or legal person who does not have a fixed establishment in Mali and to pay such withholding tax in accordance with the provisions of the General Tax Code."

6. Taxation on overproduction

In order to better control the production of mining companies in relation to production programs and to avoid overproduction during periods of exemption, a tax has been introduced on overproduction exceeding 10% of the planned production.

Thus, Article 124 of the 2012 Mining Code stipulates that "Any company holding a mining title that produces, during a given year, a quantity exceeding by more than 10% the quantity forecast in the annual production program approved by the general meeting of shareholders, must pay the taxes and duties due under ordinary law on the operations and results relating to this overproduction."

Unlike the taxation method set out in Article 124 of the 2012 Mining Code, Article 113 of the 2019 Mining Code stipulates that "Any company holding a Large Mine or Small Mine Operating Permit that produces during the year a quantity greater than the estimated quantity set out in the operating schedule of the feasibility study or feasibility report submitted to the mining authority at the time of the permit application shall pay an overproduction royalty. The basis, rates, and terms of payment of the overproduction fee are set as follows:

Table 15: Taxation of surplus production

Royalty rate	Overproduction rate
3	From 10% to 20%
4	From 20% to 30%
5	From 30% to 40%
6	From 40% to 50%
8	Over 50%

Source: Mining Code 2019

The amendment to the 2019 Mining Code, which only takes into account the overproduction levy, is more favorable to mining companies subject to the 2012 Mining Code. However, all companies may opt for this more favorable tax regime.

7. Stamp duty on export intentions

This tax, like the IBIC withholding tax and the IRVM, did not exist under the 1991 Mining Code and was also the basis of various disputes between the tax authorities and the various mining companies subject to that Code. Subsequent codes have taken into account stamp duty on export intentions through Article 109 of the 1999 Mining Code, Article 126 of the 2012 Mining Code, and Article 116 of the 2019 Mining Code.

8. Value Added Tax

Article 116 of the 2019 Mining Code stipulates that "Holders of large-scale or small-scale mining permits and industrial quarrying permits are subject to the following taxes, duties and levies: ... (l) Value Added Tax (VAT) ...". This provision was supposed to end the VAT exemption, which "expires at the end of the third year following the date of commencement of production," for mining companies governed by the 2019 Mining Code. It should be noted that despite the removal of this three-year exemption from the date of first production, we note that this provision still exists in certain agreements related to the 2019 Mining Code.

9. Other innovations in the 2019 mining code

In addition to the points below, the 2019 mining code introduced the following major innovations:

- the reduction of the stability period from thirty years to twenty years;
- the redefinition of the number of mining titles by removing the prospecting authorization;
- clarification of the concepts of subcontractors, service providers, affiliated companies, and suppliers;
- the extension of environmental protection obligations to the research phase;
- the reorganization of mineral substance groups to promote diversification;
- clarification of the scope of artisanal, mechanized, and small-scale mining;
- the abolition of authorisation for mining by dredging;
- a ban on dredging and all other forms of exploitation in river beds;
- the introduction into the code of transparency principles such as the Extractive Industries Transparency Initiative (EITI) and the Kimberley Process (KP);
- the introduction of a provision for the establishment of an escrow account to guarantee post-mining activities;
- the removal of customs and tax benefits linked to investments in infrastructure and facilities for accommodation, catering, education, health, and leisure;
- the payment of customs duties at a rate of 5% and the Domestic Tax on Petroleum Products (TIPP) from the start of production and the abolition of the exemption on machinery, equipment, tools, spare parts, and materials from the start of production;
- the creation of a fund for the rehabilitation and safety of artisanal mining sites and the fight against the use of prohibited chemicals;
- the introduction of a new dispute arbitration mechanism.

4.2.4.2. Amendment of the Petroleum Law

During our work, we were not aware of any reforms undertaken by the Malian government to the tax regime for the hydrocarbons sector.

4.2.4.3. Amendment to the General Tax Code

1. Provisions to combat thin capitalization

After the provisions combating undercapitalization were removed from the General Tax Code, they were reintroduced through Article 51 (Law No. 10-014, L.F.2013, L.F.2017, L.F.2019) of the CGI. It was noted above that, due to the stability clause and the right of mining companies to a more favorable tax regime, such companies, even those required to comply with the thin capitalization provisions, were no longer subject to the application of the thin capitalization rules.

Article 51 stipulates that **"…**The following are considered deductible expenses, in particular …

6) **a)** Interest paid to partners on sums which they place, directly or through an intermediary, at the disposal of the company in addition to their share of the capital, regardless of the form of the company, under the following conditions:

- the company's capital has been fully paid up;
- **the cumulative sums contributed do not exceed the share capital;**
- the interest rate does not exceed the BCEAO discount rate plus three points or, for companies benefiting from establishment agreements governing their relationship with the State, the Libor rate plus two points (Libor +2).

b) Interest on loans taken out by companies from natural or legal persons not domiciled or resident in Mali, other than banks and financial institutions, provided that such loans are justified and within the limits of the legal interest rate. The term "interest" means income from claims of any kind, whether or not secured by mortgage or a clause giving the creditor a share in the debtor's profits, and in particular income from public funds and income from bonds or loans, including premiums attached to such bonds or loans. Penalties for late payment are not considered interest. This provision.

2. Provisions combating transfer pricing:

To combat the direct or indirect transfer of profits between mining companies and their parent companies. The State of Mali, through the General Tax Code, has put in place certain provisions, including Article 81 (Law No. 10-014, L.F.2016, L.F.2017, L.F.R.2017, L.F.2019), which stipulates that "...1). For the purposes of establishing the corporate tax payable by companies that are dependent on or control companies located in Mali or outside Mali, profits indirectly transferred to the latter, either by increasing or decreasing the purchase or sale price, or by undercapitalization, or by any other means, shall be included in the results recorded in the accounts.

1- The same procedure shall apply to companies that are dependent on a company or group that also controls companies located in Mali or outside Mali.
2- The same rules apply in the event of a transfer of profits either by increasing or decreasing the purchase or sale price, or by undercapitalization, or by any other means between related companies located in Mali when the company benefiting from the transfer is not subject to income or profit tax or is subject to such taxes at a rate more than ten percentage points lower than the standard rate of taxation in Mali...".

It should be noted that, due to the principle of stability of the tax regime for mining companies, the application of these provisions in their entirety to mining companies governed by the former agreements will be very difficult.

V. LICENSING AND CONTRACTS

In accordance with the Requirement on Licensing (2.2), countries implementing the EITI are required to disclose the following information relating to the granting and transfer of licenses to companies covered by the EITI Report during the accounting period covered by the EITI Report. This includes:

- a description of the process for awarding or transferring the license;
- the technical and financial criteria that were used;
- information on the recipients of the license granted or transferred (specifying, where applicable, the members of the consortium);
- any violation of the legal and regulatory framework governing the granting and transfer of licenses.

5.1. Types of mining titles

The 2012 and 2019 mining codes provide for the following types of mining titles:

Table 16: Types of mining titles

Type	Granting instruments		Definitions		Duration		Legal references	
	2012 code	2019 Code	2012 Code	Code 2019	2012 Code	Code 2019	Code 2012	Code 2019
Research Permit	Decree of the of Mines	Decree of the Minister of Mines	Confers on its holder, within the limits of its perimeter and indefinitely in depth, the exclusive right to explore for substances belonging to the group for which it is issued and to freely dispose of the products extracted during the exploration and testing that may be involved.	Confers on its holder, within the limits of its perimeter and indefinitely in depth, the exclusive right to carry out reconnaissance, prospecting and research work on substances belonging to the group for which it is issued and to dispose of the products extracted for the purposes of analysis and testing in accordance with the provisions of the this Code.	Three (3) years, renewable twice	Three (3) years, renewable twice (2) times at the request of the holder. The duration of each renewal period is equal to three (3) years.	Articles 35 to 42 of the Mining Code	Article 33 to Article 40 of the Mining Code
Operating Permit4	Decree of the Prime Minister	Decree of the Prime Minister	Grants the holder, within the limits of its perimeter and indefinitely in depth, the exclusive right to prospect, explore and exploit mineral substances for which the exploration permit or prospecting authorization from which it derives is valid, and for which proof of a exploitable deposit is provided to the Administration responsible for Mines by submitting a feasibility study approved by the latter, a community development plan and a closure plan.	Grants the holder, within the limits of its perimeter and indefinitely in depth, the exclusive right to exploit the mineral substances for which the permit is issued. It also grants the holder the right to carry out the processing and marketing of marketable mining products extracted from the perimeter in accordance with the relevant legal and regulatory provisions.	Thirty (30) years, renewable in 10-year increments	A maximum term of twelve (12) years not exceeding the life of the mine from the date of signature of the allocation decree, It is renewable by right, for consecutive periods of ten (10) years at most until the exhaustion of the deposit covered by the permit	Articles 63 to 71 of the Mining Code	Article 68 and Article 69 of the Mining Code

[4] Equivalent to a large mine operating permit

Type	Granting documents		Definitions		Duration		Legal references	
	2012 code	2019 Code	2012 Code	Code 2019	2012 Code	Code 2019	Code 2012	Code 2019
Prospecting authorization	Decree of the Minister of Mines	None	Grants the holder, within the limits of its perimeter and indefinitely in depth, the exclusive right to prospect for substances belonging to the group for for which it is issued.	None	Three (3) years, renewable once (1) time	None	Article 30 of the Mining Code	None
Authorization to operate quarries	Decree of the Minister of Mines	None	Quarry substances may only be exploited under authorizations to open and operate quarries issued by the Administration responsible for Mines. Deposits of mineral substances subject to the quarrying regime are subject to the conditions of land ownership in accordance with the Land and Property Code in force in Mali. Any natural or legal person may exploit them, provided that they own the land on which they are located or even though she had permission from the owner.	None	Ten (10) years, renewable	None	Articles 99 to 111 of the Mining Code	None
Semi-mechanized mining permit	None	Decree of the Minister of Mines	None	The semi-mechanized mining permit grants its holder, within the limits of its perimeter inside a small-scale mining corridor, the exclusive right to mine, using semi-mechanized methods and processes, the substances for which it is issued.	None	A period not exceeding three (3) years, renewable for periods not exceeding three (3) years until the resources are exhausted.	None	Article 53 of the Mining Code
Authorization for artisanal mining	Decision of the Mayor of the Territorial Community	Decision of the mayor of the local authority	Carried out by holders of a small-scale operating permit. It is managed by local authorities. The form, content, and procedures for granting and renewing the permit are determined by the local authorities following technical advice from the relevant government department. responsible Mines Mines.	The artisanal operating permit grants its holder, within the limits of its perimeter, the right to exploit, using artisanal manual or traditional methods and processes that exclude the use of chemicals, the substances for which it is issued.	3 years	Three- (3) , renewable for periods of three (3) years.	Articles 44 to 52 of the Mining Code	Article 49 of the Mining Code

Type	Granting documents		Definitions		Terms		Legal references	
	2012 code	2019 Code	2012 Code	Code 2019	2012 Code	2019 Code	2012 Code	Code 2019
			The artisanal operating license is granted to natural persons of Malian nationality or legal entities under Malian law or to nationals of countries that grant reciprocity to Malians.					
The small-scale mining permit small mines[5]	Decree of the Minister of Mines	Decree of the Minister of Mines	A small-scale mining license may be granted to the holder of a prospecting permit or exploration license if the holder provides a feasibility report demonstrating the existence of a deposit that can be exploited as a small-scale mine. However, it may be granted directly to the holder of an exploration license who can demonstrate the existence of economically exploitable deposit.	The Small Mine Operating Permit grants its holder, within the limits of its perimeter and indefinitely in depth, the exclusive right to exploit the mineral substances for which the permit is issued. It also grants its holder the right to process and market marketable mining products extracted from the perimeter in accordance with the relevant legal and regulatory provisions.	4 years renewable in four-year increments years until reserves are exhausted.	Four (4) years, renewable for four (4) year periods until reserves are exhausted.	Articles 53 to 62 of the Mining Code	Article 57 and Article 58 of the Mining Code
The exploration permit	Decision of the Director of Geology and Mines.	Decision of the Director of Geology and Mines.	Confers an exclusive right to explore during its period of validity for a group of substances. The exploration permit is not transferable, assignable or leaseable. It is granted to the first applicant who demonstrates the necessary technical and financial capabilities and submits a minimum work program.	Grants an exclusive right to explore a group of substances during its period of validity. The exploration permit is not transferable, assignable or leaseable. It is granted to the first applicant who demonstrates the required technical and financial capabilities and a minimum work program.	Three months, non-renewable	Three (3) months, non-renewable.	Articles 23 to 26 of the Mining Code	Article 28 of the Mining Code

Source: Mining Code 2012 and Mining Code 2019

[5] Small mine operating permits in the 2019 code

5.2. Types of oil and gas titles

The types of oil and gas titles are governed by the provisions of Law No. 2015-35 of July 16, 2015, on the organization of hydrocarbon exploration, exploitation, and transportation.

Table 17: Types of oil and gas titles

Type	Granting instrument	2015 Petroleum Law
Recognition Authorization	Decree of the Minister responsible for Hydrocarbons	Grants the holder the non-exclusive right to undertake Exploration Operations within the defined Area. The Exploration Authorization may be withdrawn at any time, even in the absence of fault on the part of the holder, without compensation and without any right of appeal whatsoever, by reasoned decision of the Minister responsible for Hydrocarbons. The term of the Exploration Authorization is one year, non-renewable. This Exploration Authorization is not leaseable, transferable, or assignable.
Exploration Authorization	Decree of the Minister responsible for Hydrocarbons	The Exploration Authorization grants its holder, within the limits of its perimeter and indefinitely in depth, the exclusive right to carry out hydrocarbon exploration operations under the conditions and in accordance with the terms set out in this law, its implementing decree, and the Production Sharing Agreement. The Exploration Authorization creates a right distinct from land ownership. The initial term of the Exploration Authorization is four (4) years, renewable twice for a maximum of three (3) years at a time.
Exploitation Authorization	Decree of the Prime Minister	Grants the Holder, within the limits of its Perimeter, the exclusive right to carry out Exploitation Operations and to dispose of its share of Hydrocarbons. The Operating Authorization constitutes an indivisible, non-transferable, and non-mortgageable real property right. The Exploitation Authorization is granted for an initial period not exceeding twenty-five years. It may be renewed, by decree of the Prime Minister, for a maximum period of ten (10) years, provided that the Holder has fulfilled its contractual obligations and has demonstrated, under the conditions set out in the Implementing Decree and the Production Sharing Agreement, that the Field is commercially viable beyond the current period of validity.

Source: Petroleum Law of 2015

5.3. Granting and transfer of mining and petroleum titles

5.3.1. Granting of mining titles

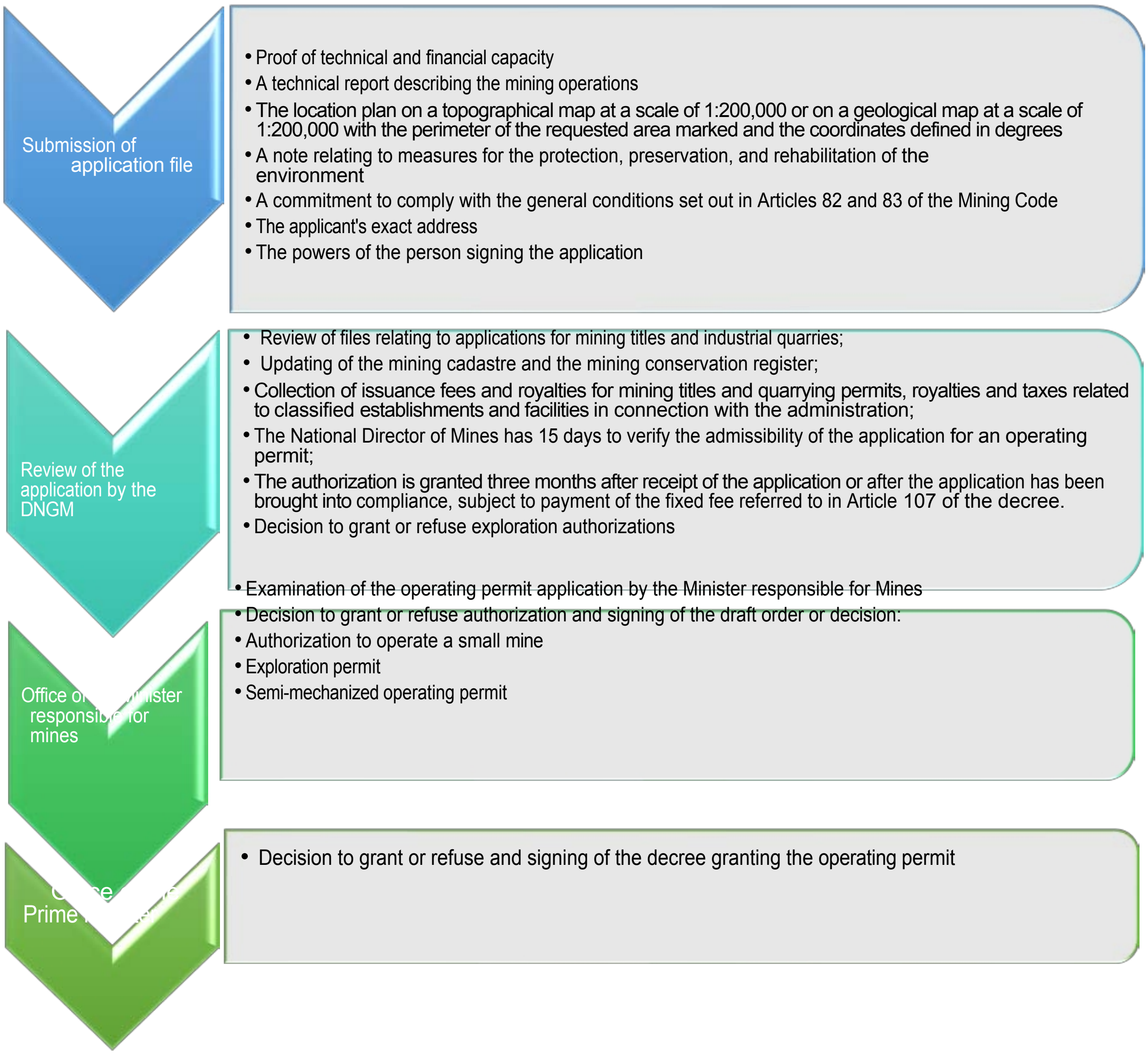
5.3.1.1. Procedures for granting mining titles

In 2019, procedures for granting and transferring mining titles were carried out in accordance with the provisions of Law No. 2012-05 of February 27, 2012, establishing the Mining Code of Mali and its implementing regulations, in particular Decree No. 2013-690-P-RM of August 28, 2013, amending Decree No. 2012-311/P-RM of June 21, 2012, setting the conditions and procedures for the application of the law on the mining code.

The new Ordinance No. 2019-022 of September 27, 2019, on the Mining Code of the Republic of Mali, only came into force in November 2020 with Decree No. 2020-0177/PT-RM.

The figure below shows the main stages of the procedures for granting mining titles.

Figure 7: Summary of procedures for granting mining titles



Source: Mining Code 2012 and its implementing regulations

5.3.1.2 Technical and financial criteria

The summary of the technical and financial criteria required by the decrees implementing the 2012 and 2019 mining codes is presented in the table below:

Table 18: Summary of technical and financial criteria

Transactions	2012 Code	2019 Code
Granting of mining titles	- The qualifications, diplomas, and professional references of the applicant's or the company's executives responsible for monitoring and conducting the work; - The list of mining operations in which the applicant or the company responsible for monitoring and conducting the work has participated in the last three (3) years, accompanied by a summary description of the most important operations - The technical and financial resources envisaged for the execution of the work. - Appropriate bank statements; - The applicant's last three balance sheets and income statements; - A copy of its articles of association	- The tax identification number or equivalent information for foreign legal entities not required to register with the competent tax authorities of the Republic of Mali; - A certified copy of the articles of association; - An extract from the registration file issued in accordance with the laws of the place where the registered office is located; - The tax clearance certificate issued by the competent authorities; - The address of the registered office; - The surname, first name(s), capacity, nationality, and domicile of the beneficial owner; - The surname, first name(s), capacity, nationality, and domicile of all persons with responsibility for the management of the company; - The list of members of the Board of Directors and persons acting on behalf of the company - The surname, first name(s), position and address of all statutory auditors for legal entities required to appoint one or more statutory auditors; - Summary financial statements for the last three financial years certified by a certified public accountant for legal entities that have been in existence for more than three years, or summary financial statements for the last three financial years of the controlling entity or ultimate parent company for legal entities that have been in existence for less than three years; - A declaration form for the assessment of technical and financial capacity entitled "Technical and Financial Capacity Assessment Form," duly completed and signed. - The applicant for a mining title is required to provide, in support of their application, a sworn statement confirming that they that they have not been subject to any collective debt settlement proceedings or similar proceedings

Transactions	2012 Code	2019 Code
Transfer of mining titles	None	- A copy of the decree granting the large-scale mining permit for which the transfer authorization is requested; - A copy of the transfer deed and/or all documents relating to the legal transaction whose effective completion results in the transfer; - Where the transfer is effected other than by way of contribution, the transfer agreement must include a clause transferring ownership of the large-scale mining permit to the operating company on the date of the company's registration in the trade and securities register, notwithstanding the date of signature of the transfer agreement.

Source: Mining Codes of 2012 and 2019

5.3.1. Status of mining titles granted and transferred in 2019

According to data provided by the National Directorate of Geology and Mines (DNGM), the number of titles granted in 2019 was 226.

Table 19: Status of mining titles granted in 2019

Substances	Exploration permits	Research permit	Quarrying permit	Small mine operating permit	Operating permit	Prospecting authorization	Total
Clay	1	-	-	-	-	-	1
Bauxite	2	3	-	-	-	-	5
Limestone	11	2	-	-	-	-	13
Diamond	-	3	-	-	-	-	3
Dolomite	18	-	7	-	-	-	25
Dolomite	2	-	-	-	-	-	2
Water	1	-	-	-	-	-	1
Feldspar	1	-	-	-	-	-	1
Iron	-	2	-	-	1	-	3
Granite	1	-	-	-	-	-	1
Garnet	1	-	-	-	-	-	1
Sandstone	1	-	-	-	-	-	1
Lithium	15	3	-	-	1	-	19
Manganese	1	2	-	-	-	-	3
Gold	92	47	-	2	-	2	143
Quartz	1	-	-	-	-	-	1
Phosphates	-	2	-	-	-	-	2
Sand-Gravel	1	-	-	-	-	-	1
Total	**149**	**64**	**7**	**2**	**2**	**2**	**226**

Source: register of mining titles as of December 31, 2019

During 2019, three mining titles were transferred. These include:

- 2 exploration permits;
- One small-scale mining authorization.

Table 20: List of mining titles transferred in 2019

No Cadastre	TYPE OF PERMIT	Companies	Decree No. and date of allocation	Decree No. and date of transfer	Substance	Location	Assignee company	Sup./ Km²/Geological district
1	Authorization to operate small mine	Transafrika Mali Sa	No. 2018-3557/MMP of 10/10/2018	No. 2019-2197/MMP-SG OF 07/08/2019	Gold	Farabantourou	Desert Gold Mali Sarl	29
2	Exploration permit	DDRI Mining Sarl	No. 2019_0251/MMP-SG dated 13/02/2019	No. 2019-1436/MMP-SG dated 06/06/2019	Gold	Boutounguissi	Baoulé Mining Company Sarl	Kayes
3	Exploration permit	Universal G.IS Sarlu	No. 2019_3223/MM-SG of 28/09/2017	No. 2019-2509/MMP-SG dated 26/08/2019	Or	Diangounté-Nord	Ressources Robex Mali sarl	Kéniéba

Source: Register of mining titles as at 31 December 2019

Details of the titles granted in 2019 are presented in Annex 9.

5.3.1.4 Results of tests on procedures for granting and transferring mining titles in 2019

In order to ensure compliance with procedures for granting and transferring mining titles, we conducted tests on a randomly selected sample of eight (8) files processed during 2019.

Our review of the grant files focused on verifying that the files complied with the applicable procedures and regulations and assessing the decision taken by the file review committee based on its evaluation of technical and financial capacity. The results of these tests are presented below:

- **On the licenses granted**

The verification of granted titles focused on a sample of five (5) files selected at random, taking into account the nature of the titles.

Table 21: Results of tests on mining title granting procedures in 2019

No	Type of permit	Companies	Location/Geological district	Substance	Sup. / Km²	Authorization number and date of issue	Findings
1	Exploration authorizations granted	Catalyst Resources Sarl	Yatia South/Kéniéba	Gold	45	No. 000028/DNGM dated January 8, 2019	None
2	Exploration permit	Sudan Mining Company Sarl	Fougouelé-EstBagoé	Gold	4	No. 2019-0248/MMP-SG dated 13/02/2019	None
3	Operating permits for quarries granted	Yélékébougou Bougouni	Yélékébougou Bougouni	Dolérite	4	No. 2019-1050/MMP of 11/04/2019	None
4	Operating permits granted	Timbuktu Resources Sarl	Torakoro Bougouni	Lithium	1	No. 2019-0642/PM-RM dated 23/08/2019	None
5	Prospecting permits prospecting granted	Chemazen Mines Mali Sarl	Badalabougou Kangaba	Gold	8	No. 2019-1229/MMP-SG of 18/04/2019	None

Source: Pyramis Group / Mazars

Our work did not reveal any significant anomalies in compliance with the defined criteria.

- **On the transferred securities**

The audit of transferred titles covered all three titles transferred in fiscal year 2019.

Table 22: Results of tests on procedures for transferring mining securities in 2019

No	Type of title	Companies	Decree No. and date of allocation	Decree No. and date of allocation transferred	Substance	Location	Assignee company	Sup./ Km²/Geological district
1	Small-scale mining permits	Transafrika Mali Sa	No. 2018-3557/MMP dated 10/10/2018	No. 2019-2197/MMP-SG of 07/08/2019	Gold	Farabantourou	Desert Gold Mali Sarl	29
2	Exploration permit	DDRI Mining Sarl	No. 2019_0251/MMP-SG of February 13, 2019	No. 2019-1436/MMP-SG dated 06/06/2019	Or	Boutounguissi	Baoulé Mining Company Sarl	Kayes
3	Exploration permit	Universal G.IS Sarlu	No. 2019_3223/MM-SG dated 28/09/2017	No. 2019-2509/MMP-SG dated 26/08/2019	Or	Diangounté-Nord	Ressources Robex Mali sarl	Kéniéba

Source: Pyramis Group / Mazars

We have identified the following shortcomings in the transfer of the mining title covered by Decree No. 2019-1436/MMP-SG of June 6, 2019:

- no application from Compagnie Minière Baoulé;
- lack of status for Compagnie Minière Baoulé SARL;
- Absence of the letter of commitment from Compagnie Minière Baoulé SARL;
- absence of a copy of the memorandum of understanding between the two companies.

5.3.1.5. Register of mining titles

The mining framework is governed by the provisions of Ordinance No. 2019-022/P-RM of September 27, 2019, establishing the mining code in the Republic of Mali. It is defined as all registers, including information systems, cartographic representations and related documents for all valid mining titles and authorizations, including their geographical location, nature, holder and period of validity.

The mining register is accessible to the general public on the website of the Ministry of Mines, Energy and Water of Mali in French and English at the following address: https://mali.revenuedev.org/dashboard. The mining register website allows users to consult all the characteristics of a mining title, including:

- status;
- the holder's details;
- the nature of the title;
- the owner;
- the date of application,
- start and expiry dates;
- the area;
- the location;
- the mineral substances; and
- the geological map and location on the map.

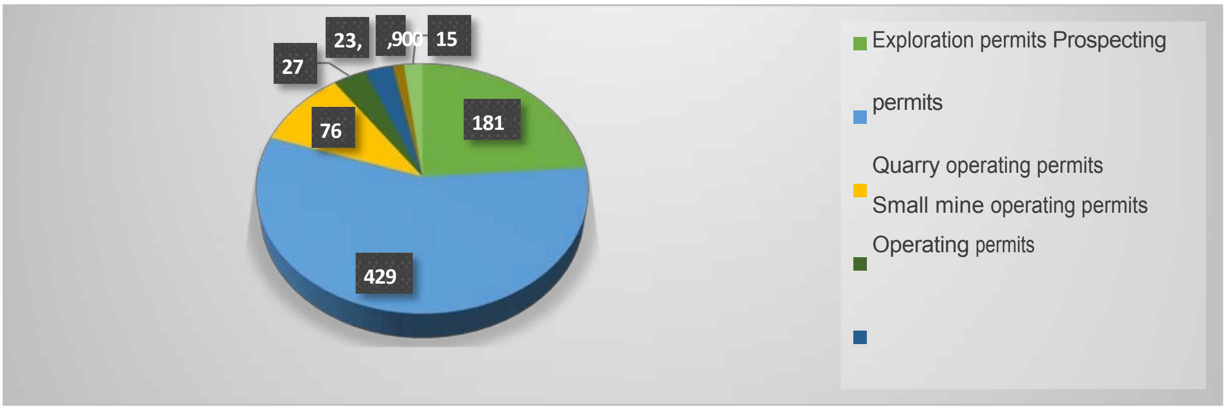
Based on the mining register provided by the DNGM, Mali had 760 active permits and authorizations as of December 31, 2019, including 226 granted in 2019. These permits and authorizations are distributed as follows :

Table 23: Status of mining titles as of December 31, 2019

Mining titles	Number of permits as of 12/31/2019	Number of permits granted in 2019	Number of permits transferred in 2019	Number of permits transferred in 2019
Exploration permits	181	149	0	0
Exploration permits	429	64	2	0
Quarrying permits	76	7	0	0
Small mine operating permit	27	2	1	0
Operating permit	23	2	0	0
Dredging Operating Permit	9	0	0	0
Prospecting Authorization	15	2	0	0
Total	**760**	**226**	**3**	**0**

Source: Mining register as of December 31, 2019

Figure 8: Status of mining titles as of December 31, 2019



Source: Mining register as of December 31, 2019

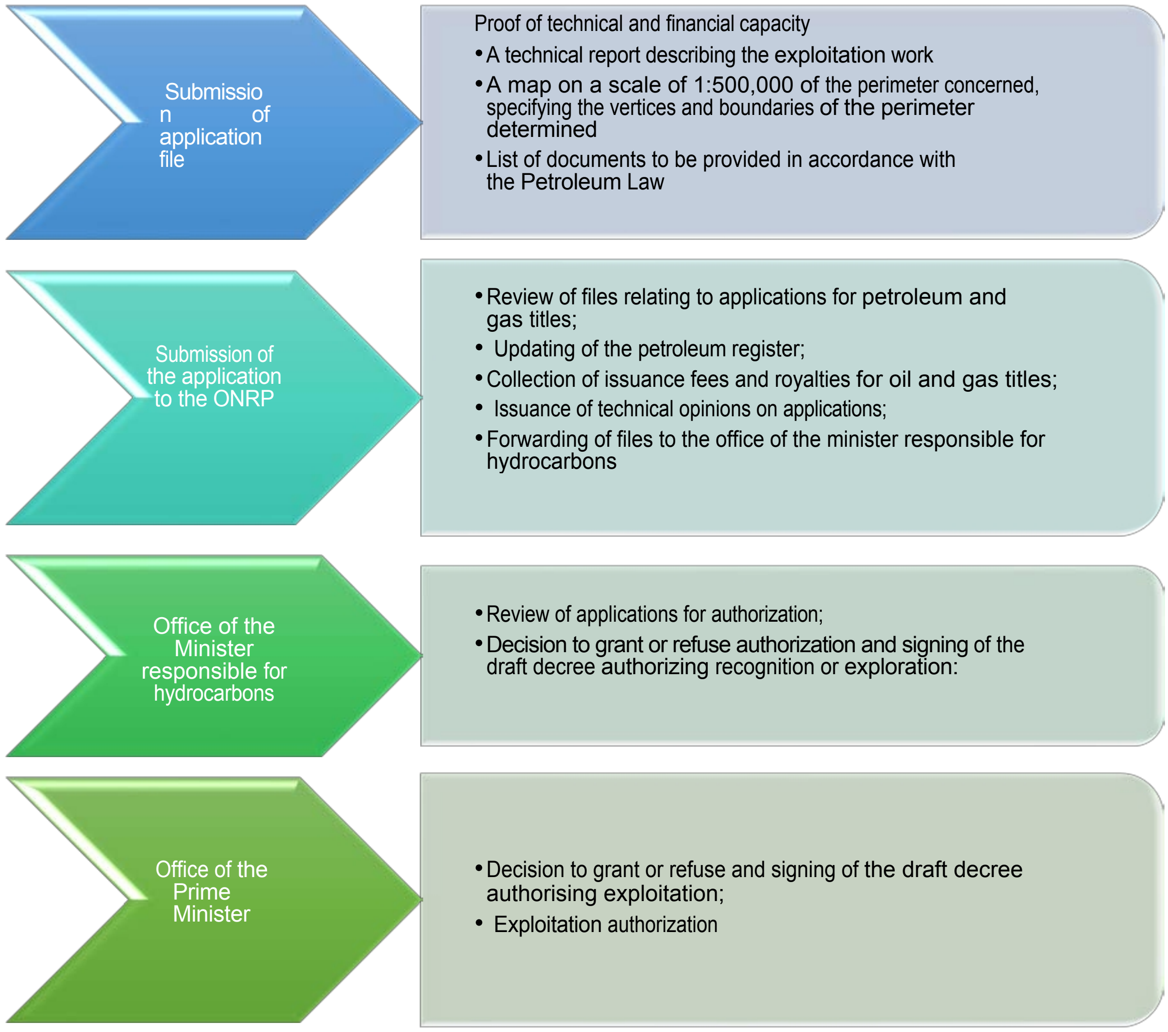
5.4. Granting of oil and gas titles

The procedures for granting oil and gas titles are set out in Decree No. 2016-0272/P-RM of 29 April 2016 laying down the implementing provisions of Law No. 2015-35 of 16 July 2015 on the organization and regulation of hydrocarbon exploration, exploitation and transport.

5.4.1. Procedures for granting oil and gas titles

The figure below summarizes the procedures for granting oil and gas titles.

Figure 9: Summary of procedures for granting oil and gas titles



Source: Petroleum Act 2015 and its implementing decree

5.4.2. Technical and financial criteria

The table below summarizes the technical and financial criteria used for granting oil and gas titles:

Table 24: Technical and financial criteria for granting oil and gas titles

Type of title	Technical and financial criteria
General criteria	**If it is an existing company:** - its name or business name, legal form, registered office, and address; - the updated articles of association and, where applicable, the company's memorandum of association (e.g., the minutes of the constituent general meeting); - the amount and composition of the share capital and the extent to which it has been paid up; - the summary financial statements for the last three (3) financial years certified by a certified public accountant in accordance with the laws of the Republic of Mali; - the list of shareholders or partners who control the company; - the curricula vitae of the company's corporate officers and legal representatives, in particular the members of the board of directors, the chief executive officers and other directors with signing authority, and the managers; - the resumes of the company's auditors, if any. **If the company is in the process of being formed:**

Type of securities	Technical and financial criteria
	- the resumes of the founders, if they are natural persons, and, if legal entities are among the founders, all the information - listed in paragraph 112.1 above concerning legal entities, it being specified that, in the case of foreign legal entities, their summary financial statements and corporate accounts must be certified in accordance with the laws of the State in which their registered office is located; - the information required from legal entities under the provisions of this article, which is or may be known at the date of filing of the application, together with a written undertaking to complete the application, within a reasonable period of time, with all - information required under this decree. **In the case of a Consortium:** - the names of the entities that are members of the Consortium and, for each of these entities, all the information required under paragraphs 12.1 and 112.2 above; - the percentage held by each member entity of the Consortium in the rights and obligations that would result from the granting of the Authorization; - all documents proving the technical and financial capacity of the member Oil Company or Companies of the Consortium to carry out the Oil Operations; - the name of the oil company designated as Operator and documents proving that company's experience in conducting oil operations; - all agreements and conventions relating to the Consortium.
Authorization for reconnaissance	- the coordinates and area of the requested perimeter, as well as the administrative districts concerned; - a map on a scale of 1:500,000 of the area concerned, specifying the vertices and boundaries of the said perimeter; - a technical note on the prospectivity of the area concerned; - the duration, general program, schedule, and cost of the planned Reconnaissance Operations; - all documents proving the technical capabilities of the Applicant or the Applicant's managers responsible for monitoring and conducting the planned Reconnaissance Operations; - all documents proving the financial capacity of the Applicant to carry out the planned Reconnaissance Operations - ; - the undertaking to transmit to the Minister responsible for Hydrocarbons the Technical Data obtained during the - the period of validity of the Reconnaissance Authorization; - a receipt certifying payment to the Public Treasury of the fixed fees due in respect of any application for the granting of a Reconnaissance Authorization.
Exploration Authorization	- the coordinates and area of the requested perimeter and the administrative districts concerned; - a map on a scale of 1:500,000 of the perimeter concerned, specifying the vertices and boundaries of said perimeter; - a report justifying the boundaries of this perimeter, taking into account, in particular, the geological constitution of the region; - a technical note on the prospectivity of the area concerned; - the duration of the Authorization requested, which may not exceed that specified in Article 23 of the Petroleum Law; - the duration, general program, schedule, and budget of the Exploration Operations planned for the above-mentioned perimeter; - a commitment to submit to the Minister responsible for Hydrocarbons, within one month of the granting of the Exploration Authorization, the work program for the remainder of the current calendar year and, before October 31 of each year, the work program for the following calendar year; - the work program for the remainder of the current calendar year and, before October 31 of each year, the work program for the following calendar year; - all documents proving the technical capabilities of the Applicant or of the Applicant's executives responsible for monitoring and conducting the planned Exploration Operations to carry out the work and, for applications made by a Consortium, the documents proving the satisfactory experience of the oil company designated as Operator for the performance of the Exploration Operations;

Type of titles	Technical and financial criteria
	- all documents proving the Applicant's financial capacity to carry out the planned petroleum operations; - a commitment to provide a guarantee covering the Contractor's financial obligations to the State for the first calendar year; - a receipt certifying payment of the fixed fees for the examination of the application for the granting of the Exploration Authorization; - a draft Petroleum Contract based on the Model Petroleum Contract and including in particular a Minimum Work Program for the initial period and for each renewal period of the Exploration Authorization.
Operating Authorization	- the coordinates and area of the requested block and the administrative districts concerned; - a map on a scale of 1:500,000 of the perimeter concerned, specifying the vertices and boundaries of the said perimeter as determined; - a plan of the exploitation perimeter in duplicate, on a scale of 1:20,000 or 1:50,000, indicating all productive wells and a technical report justifying the delimitation of the requested exploitation perimeter; - the duration of the Exploitation Authorization requested, which may not exceed that set out in Article 41 of the Petroleum Law; - a commitment to submit to the Minister responsible for Hydrocarbons, within one month of the granting of the Operating License, the work program for the remainder of the current calendar year and, before October 31 of each year, the work program for the following calendar year; - a Feasibility Study report, accompanied by all documents, information, and analyses establishing that the Deposit is a commercial deposit or that the Deposits are commercial deposits. - the conclusions and recommendations regarding the economic feasibility and the timetable for the start of commercial production, taking into account the points listed above; - the Environmental Permit issued in accordance with the provisions of Article 99 of the Petroleum Code, to which the Environmental, Social and Cultural Impact Assessment Report is attached; - an Application for Occupancy of Land relating to the land necessary for the performance of Petroleum Operations, drawn up in the form provided for in Title I, Chapter 3, of this Decree; - a Community Development Plan drawn up in accordance with the provisions of Article 105 of this Decree; - programs aimed at giving preference to Malian companies for supply and subcontracting contracts; - a program aimed at integrating Malian personnel into the conduct of petroleum operations; - a receipt certifying payment of the fixed fees for the examination of the application for the granting of the Operating License.

Source: Petroleum Law 2015 and its implementing decree

5.4.3 Status of oil and gas titles granted and transferred in 2019

The National Office for Petroleum Research has not informed us of any oil and gas titles granted during 2019.

5.4. Register of oil and gas titles

The oil and gas cadastre is no longer functional. The relevant information is not available to the general public on any website of the Ministry of Mines, Energy and Water of Mali.

5.5. Contracts

According to requirement 2.4, EITI implementing countries are required, as of January 1, 2021, to disclose all contracts and licenses that are awarded, concluded, or amended. EITI implementing countries are encouraged to publicly disclose all contracts and licenses that set the terms and conditions for the exploitation of oil, gas, and minerals.

5.5.1. Mining contracts

In Mali, the conditions for mining operations carried out by one or more legal entities are specified in establishment agreements between the State, represented by the Minister responsible for Mines, and applicants for mining titles. An establishment agreement signed between the State and the applicants is annexed to all exploration permits and exploitation permits.

Within the meaning of the 2019 Mining Code, the agreement established at the time of the application for a prospecting permit between the State of Mali and the applicant, which sets out the rights and obligations of the parties in relation to the prospecting and exploitation of mineral substances. The code requires the publication of any establishment agreement concluded between the State and the holder of a mining title, including annexes and amendments, on the website of the Ministry responsible for Mines [7].

5.5.2. Oil and gas contracts

Article 1#11 of the Petroleum Law defines a Production Sharing Agreement as "the agreement under which the Holder undertakes to carry out Petroleum Operations[8], at its own expense and risk, on behalf of the State in return for in the event of the discovery of a Commercial Deposit (or several Commercial Deposits) and the exploitation of such Commercial Deposit (or Commercial Deposits), a share of the Hydrocarbons extracted from such Commercial Deposit (or Commercial Deposits) for the recovery of its Petroleum Costs and as remuneration."

Since 2012, only Hydroma (formerly PETROMA), operating in Block 25, whose concession agreement was signed in 2007, has been conducting hydrogen exploration. SIPEX, an Algerian company and subsidiary of SONATRACH, was processing seismic data acquired previously before notifying a case of force majeure in 2012, suspending its activities.

Apart from these two companies, no other oil and gas companies are currently exploring in Mali.

[6] Article 16 of Order No. 2019-022/P-RM of September 27, 2019, establishing the mining code of the Republic of Mali
[7] Article 18 of Order No. 2019-022/P-RM of September 27, 2019, establishing the mining code in the Republic of Mali
([8]) An oil operation includes reconnaissance, exploration, and

5.5.3. Disclosure of contracts

Requirement #2.4.b stipulates that the multi-stakeholder group is responsible for validating and publishing a contract disclosure plan that specifies implementation deadlines and defines measures to overcome obstacles that may limit disclosure. This plan must be incorporated into work plans covering the years starting in 2020.
The table below shows the status of establishment agreements published on the website of the Ministry of Mines, Energy and Water (https://www.mines.gouv.ml/conventionminiere).

Table 25: List of establishment agreements published on the website of the Ministry of Mines, Energy and Water

No	Companies	Agreement date
1	SOMIKA (AVNEL GOLD LTD)	February 14, 2003
2	PAPILLON RESOURCES LIMITED (PAPILLON)	Not signed
3	YATELA	May 20, 1994
4	SODINAF (Société pour le développement des investissements en Afrique)	March 4, 1992
5	MORILA SA	April 28, 1992
6	SOMISY SA	Unsigned
7	SEMOS SA	March 24, 1991
8	SEMICO	Dec. 29, 1999
9	SANDEEP GARG & COMPANY SARL	Feb 19, 2009
1	ROBEX (RESSOURCES ROBEX MALI SARL)	Dec 27, 2011
1	LOULO SA	02-Apr-93

Source: Ministry of Mines, Energy and Water

The EITI Mali Steering Committee has also developed and approved a disclosure plan for mining contracts signed since January 1, 2021, in accordance with the 2019 EITI Standard.

In this context, the EITI Mali Permanent Secretariat has published on its website 30 mining agreements concluded between the Government of Mali and mining companies during 2021. The agreements concerned are available via the link Agreements - EITI Mali. **However, this publication does not cover all mining titles granted from January 1, 2021, as required by the 2019 EITI standard.**

In addition, agreements with oil companies in the exploration phase are published on the website of the Permanent Secretariat of EITI Mali at the link: Agreements - EITI Mali.

5.6. Effective ownership

The concept of beneficial ownership is governed in Mali by Community Directive No. 02/2015/CM/UEMOA and Law No. 2016/008/ of March 17, 2006, on uniform legislation on the fight against money laundering and terrorist financing. According to this law, the beneficial owner or economic owner is defined as "the natural person or persons who ultimately own or control a client and/or the natural person on whose behalf a transaction is carried out. This definition also includes persons who ultimately exercise effective control over a legal entity or legal arrangement.

When the customer is a company, the beneficial owner of the transaction is understood to be the natural person or persons who either directly or indirectly hold more than 25% of the capital or voting rights of the company, or who exercise, by any other means, control over the management, administrative or executive bodies of the company or over the general meeting of its shareholders.

According to the requirement of EITI standard #2.5.c, "as of January 1, 2020, countries implementing the EITI are required to request—and companies are required to publicly disclose—information on beneficial ownership."

On October 13, 2021, the Government of Mali adopted a draft decree establishing a public register of beneficial owners of extractive companies in order to comply with the requirements of the standard.

The adoption of this draft decree will improve the traceability of financial flows in the extractive sector, mitigate the risks of corruption and money laundering, and increase tax revenues.

The implementation of this draft text aims to require extractive companies to publish a list of their beneficial owners, their degrees of participation, and the terms and conditions under which they exercise that participation or control over the companies.

It is part of the implementation of the roadmap for the disclosure of beneficial ownership information developed and published by the EITI Mali Steering Committee in 2016.

The table below summarizes the beneficial ownership disclosures of extractive entities included in the reconciliation scope.

[9] Law No. 2016/008 of March 17, 2006, on uniform legislation on combating money laundering and terrorist financing, Article 1

Table 26: Information on the beneficial owners of listed parent companies

No Order	Extractive company	Shareholders	% Shareholding	Nationality of entity/person	Listed on stock exchange (yes/no)	Stock exchange	ISIN number or stock ISIN (International Securities Identifying Number)	link to the form for declaring beneficial owners on the stock exchange
1	YATELA	AngloGold Ashanti	40	South	Yes	Johannesburg	Not provided	Not provided
		IAMGOLD	40	Canada	Yes	Toronto	Not provided	Not provided
2	TIMBUKTU RESOURCES SARL	MALI LITHIUM LIMITED	1	Australian	Yes	ASX	Not provided	Not provided
3	Syama Mining Company	Resolute Mining Limited (RML)	80	Australian	Yes	ASX & LSE	ACN-097088689/ AU000000RSG6	Not provided
4	NEVSUN MALI EXPLORATION LTD "SA"	ENDEAVOUR MINING	1		Yes	Toronto Stock Exchange	GB00BL6K5J42	https://www.boerse-frankfurt.de/equity/endeavour-mining-plc-01
5	SEMOS	AngloGold Ashanti	41	South Africa	Yes	Johannesburg	Not provided	Not provided
		IAMGOLD	41	Canadian	Yes	Toronto	Not provided	Not included
6	NAMPALA SA	ROBEX INC RESOURCES	9	Canadian	Yes	Frankford	Growth TSX symbol is RBX	https://www.sedar.com/
7	IAMGOLD EXPLORATION MALI SARL	AGEM Ltd	10	Barbadienne	Yes	Toronto	IMG	Not provided
8	GOUNKOTO SA	Somilo Limited	8	South African	Yes	Not provided	Not provided	Not provided
9	Fekola SA	MMI	9	British Virgin Islands	YES	Toronto and New York	BTO / BTG	Not provided
10	FABOULA GOLD	MALI NATIONAL GOLD	5	Malian	No	Not provided	Not provided	Not provided
		PEARL GOLD AG	25	German	Yes	Frankfurt	DE000A0AFGF3	https://www.pearlgoldag.com/stammdaten/
11	BARRICK GOLD MALI	BARRICK GOLD	10	Canadian	Yes	Toronto and New York	CA0679011084	https://www.boursedirect.fr/fr/marche/new-york-stock-exchange-inc/barrick-gold-corporation-GOLD-USD-XNYS/seance
12	SOMIKA SA	Endeavour Mining	80	Not provided	Yes	Toronto Stock Exchange	GB00BL6K5J42	https://www.boerse-frankfurt.de/equity/endeavour-mining-plc-01
13	Finkolo Mining Company	Resolute (Finkolo) Limited	100	Australia	Yes	ASX & LSE	ACN-097088689 /AU000000RSG6	Not provided
14	SMK SA	SMK S.A	90	British	**Yes**	London Stock Exchange	AIM:HUM	http://www.hummingbirdresources.co.uk

Source: Extractive industry disclosure forms 2019

NB: The table does not take into account the Malian government's shareholdings in the companies' share capital.

Table 27: Information on beneficial owners of unlisted parent companies

Order No.	Extractive company	Beneficial owners	% Shareholding	National	PPE	Address	Number of shares	Number of voting rights
1	SEGALA MINING CORPORATION	BCM GROUP GHANA	8	Ghanaian	Not provided	Not provided	Not provided	Not provided
2	RAZEL	François FARGES	50	French	Yes	Not provided	Not provided	Not provided
		Laurent FAYAT	50	French	Yes	Not provided	Not provided	Not provided
3	PETROMA[10]	PETROMA INC	7	Canadian	Not provided	Not provided	Not provided	Not provided
		ALIOU B DIALLO	25	Malian	Yes	Badalabougou, Bamako, abdor@hydroma.ca	Not provided	Not provided
4	Mali Mineral Resources	ERG Africa Holding	80	South African	Not provided	Not provided	Not provided	Not provided
		MMH SA	20	Malian	N/A	N/A	N/A	N/A
5	Ciments et Matériaux du Mali-CMM	SOCOCIM INDUSTRIES	9	Senegalese	Not provided	Not provided	Not provided	Not provided
		Moussa B. COULIBALY	5	Malian	N/A	N/A	N/A	N/A

Source: Extractive companies' disclosure forms 2019

NB: The table does not take into account the Malian government's shareholdings in the companies' share capital.

[10] PETROMA is the only extractive entity operating in the hydrocarbon sector

5.7. State participation in the extractive sector

As part of the national policy for the development of the mining and oil sector, the State reaffirms the principle of its free participation in mineral extraction companies. This free participation is limited to 10%. The State reserves the right to take, in addition to its free participation, a contributory participation, in cash, in the share capital of mining companies, within the limits of the maximum percentage authorized (20%).

The terms and conditions governing the State's participation in extractive entities are set out in the provisions of the mining codes of 1991, 1999, 2012 and 2019 and the petroleum law of 2016 and their implementing regulations.

The Malian State's participation in extractive industries is limited to direct equity holdings in mining companies. There has been no change since 2018.

The table below shows the State's participation in mining companies.

Table 28: State participation in mining companies

No	Companies	Share in capital	Comments
1	Gounkoto Gold Mining Company	20	
2	Kalana Gold Mining Company	20	
3	Loulo Gold Mines Company	20	
4	Morila Gold Mines Company	20	Information not disclosed by the company
5	Sadiola Gold Mines Company	18	
6	Ségala Gold Mining Company	20	
7	Syama Gold Mining Company	20	
8	Yatela Gold Mining Company	20	
9	Faboula Gold Company	20	
10	Kofi Mining Company	20	Information not disclosed by the company
11	Fekola Mine Company	10	
12	Komana Mining Company	10	
13	Société des Mines de NAMPALA	10	
14	Diamond Cement Mali	10	

Source: National Directorate of Domains (DND)

The State of Mali has no public companies operating in the extractive industries sector.

VI. EXPLORATION AND PRODUCTION

Requirement 3 of the 2019 EITI Standard requires the disclosure of information related to exploration and production, enabling stakeholders to understand the sector's potential. The EITI requirements related to transparency in exploration and production activities refer to the following aspects:

6.1 Prospecting/Exploration

According to requirement #3.1, countries implementing the EITI will disclose an overview of the extractive industries, including any significant exploration activities.

6.1.1 Potential of the mining sector

Mining has been practiced in Mali for centuries, and the first formal geological and mining exploration work dates back to the colonial period.

Following independence in 1960, a Malian Mining Office was established in 1962, which later became SONAREM (Société Nationale de Recherche et d'Exploitation Minière) in 1963. From 1963 to 1969, SONAREM was the only public mining and oil exploration agency in Mali. SONAREM's work led to numerous discoveries, including phosphates in Bourem, gold in Médinandi and Kalana, limestone in Diamou, iron in Balé, and more.

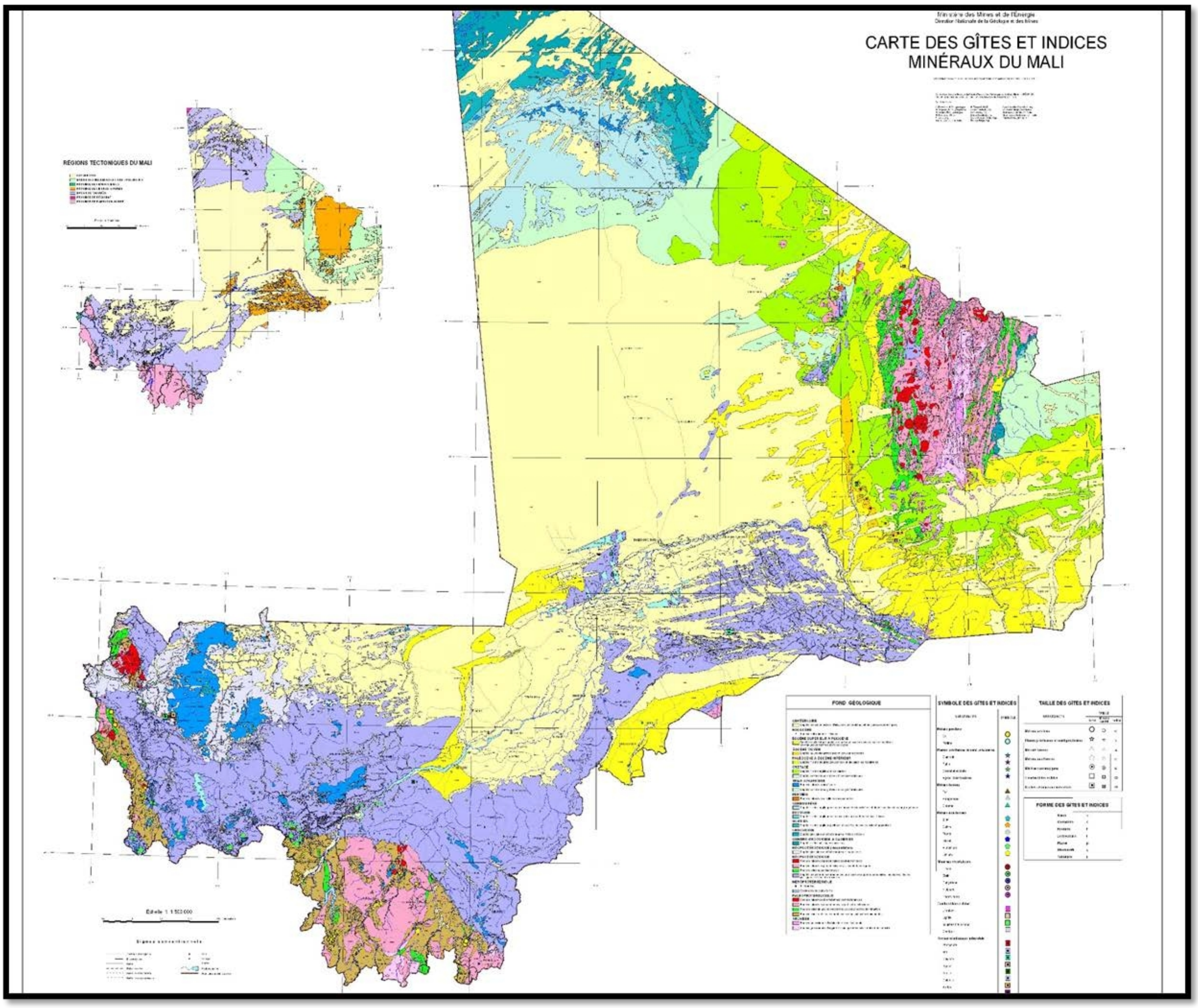
Since then, successive governments have undertaken numerous prospecting projects with the support of international partners. The results of these various projects have concluded that Mali's subsoil contains significant reserves of minerals such as iron, manganese, phosphate, bauxite, uranium, etc., which are still largely unexploited.

Table 29: Status of mineral reserves

Minerals	Units	Potential	Areas
Gold	Tonne	2,000	Kayes, Sikasso, Koulikoro regions
Limestone	Ton	40 million	Bafoulabe, Hombori
Bituminous shale	Tonne	10 billion	Agamor
Copper	-	Indices	Gao, Kidal
Iron	Ton	2 billion	Kayes, Diamou, etc.
Bauxite	Ton	1.2 billion	Kayes and west of Bamako
Marble	Ton	60 million	Koulikoro
Rock salt	Ton	53 million	Taoudeni
Phosphates	Ton	20 million	Tilemsi
Manganese	Ton	3.7 million	Ansongo
Lead-Zinc	Ton	1.7 million	Tessalit, Tamanrasset
Gypsum	Ton	405,000	Kidal Timbuktu
Uranium	Ton	11,000	Kayes
Lithium	ton	31.2 million	Sikasso, Kayes
Diamond	Carat	2,359,331	Kenieba, Yanfolila, Kangaba

Source: National Directorate of Geology and Mines, 2022

Figure 10: Map of mineral deposits and indications in Mali



Source: National Directorate of Geology and Mines

6.1.2 Potential of the hydrocarbon sector

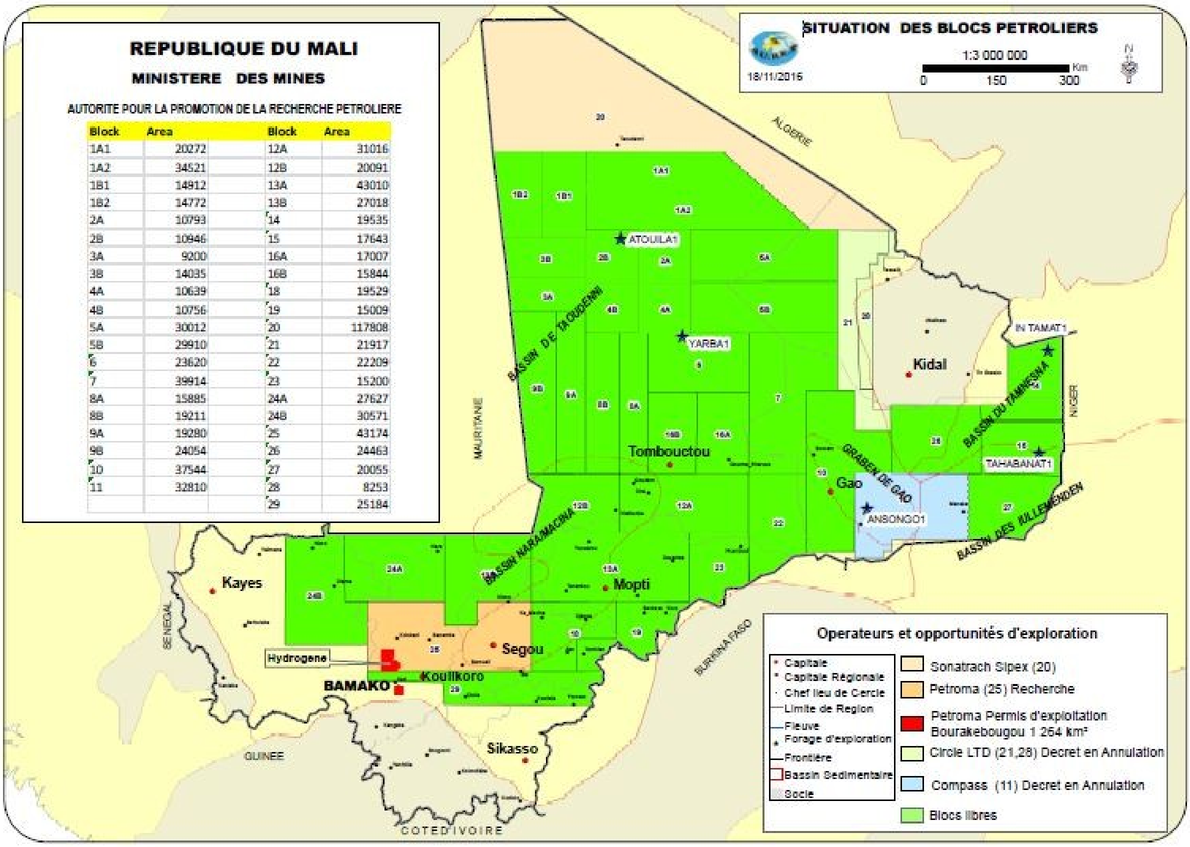
As in the mining sector, SONAREM's work led to the establishment of oil wells at Tahabanat in 1966, at a depth of 1,970 meters, and at In Tamat in 1945, at a depth of 1,145 meters.

In 1969, the Petroleum Code was adopted to encourage private investment, both foreign and domestic, in Mali. As a result, foreign private companies began operating in Mali in 1970 under exploration permits.

Based on oil exploration data, Mali remains a potential source of oil, with five sedimentary basins covering a total area of more than 900,000 km². However, the current stage of research does not allow for key figures to be provided or conclusions to be drawn about available resources.

[11] Information provided by the ONRP

Figure 11: Map of valid oil blocks as of December 31, 2019



Source: National Office for Petroleum Research

6.1.3 Status of mining projects at an advanced stage

The main exploration projects of significance in 2019 are as follows:

Table 30: Summary of major exploration projects

Project	Companies	Project information	Results	Investments (FCFA)
1. Tabakorolé exploration permit No. NC-29-XXIV	LEGEND GOLD MALI SARL	The permit is granted to LEGEND GOLD MALI for the exploration of gold and Group II minerals. The geology of the permit is largely dominated by metasedimentary formations, followed by intrusive metamorphic rocks and basic volcanic rocks. The Tabakorolé permit covers an area of 186 km2. Tabakorolé permit covers an area of 186 km2	350,000 oz	Not provided
2 Lakanfla exploration permit	LEGEND GOLD MALI SARL	The Lakanfla exploration permit is located approximately 85 km south of Kayes and 12 km south of the Sadiola gold mine. The geology of the permit is dominated by a sequence of meta-sediments: meta-pelitic, meta-silstone, meta-sandstone, and carbonate rocks.	1.59 g/t	745,425,790

Project	Companies	Project information	Results	Investments FCFA
3. Siribaya II exploration permit	SOCIETE D'EXPLORATIO N SIRIBAYA SARL /IAMGOLD CORPORATION	The Siribaya II exploration permit has been granted to Siribaya Exploration Company for the exploration of gold and Group II minerals. The permit is accessible via the RN24 paved road in southern Mali, passing through Kita to Dabia over a distance of 405 km. From Dabia, a laterite track leading to Diabarou, Mankonké, and Faléa leads to the Siribaya permit, crossing the Falémé River at Bac.	210,000 ounces with a grade of 1.9 g/t	
4. Faléa exploration permit	DELTA EXPLORATION	The Faléa permit is granted for uranium and Group 4 minerals, extended to Group II minerals. The permit is located in the Kèniéba circle, Kayes region, in the rural commune of Faléa. The permit covers uranium, silver, and copper deposits. copper.	0.115% U3O8 Ag (72.8 g/t) Cu (0.161%)	10,530,284,044.3
5 Faléa –sitadina exploration permit	MALI MINERAL RESOURCES SARL	The exploration permit for Faléa –sitadina is granted to the company MALI MINERAL RESOURCES SARL for the exploration of bauxite and Group III minerals. The Faléa –sitadina sector is accessible via the paved Bamako-Kénièba road, 430 km away and a hundred kilometers from Kénièba to the village of Falkhouré, adjacent to the concession.	578,000,000 tonnes with a grade of 44.1% Al2O3	3,101,914,030
6 Dogobala and Foulaboula exploration permits	FUTURE MINERALS	Future Minerals holds two contiguous exploration permits for lithium and Group II minerals in the Bougouni district of the Sikasso region. The two exploration permits at Dogobala and Foulaboula are accessible via the RN7 national road linking Bamako-Bougouni-Sikasso, then via the Bougouni-Garalo (Bougouni-Kolassokoura) laterite road crossing the two permits in a north-south direction. south.	0.5% to 2.2% of LiO2 (rock samples) 1 to 1.7% Li (RC drill core samples) Values range from 0.01% to 3% Li.	452,815,000
7 Diangounté Northeast Exploration Permit	UNIVERSAL GIS	: The Diangounté Northeast permit was granted to UNIVERSAL GIS for the exploration of gold and Group II minerals. It is located in western Mali at approximately 30 km west of the town of	42,631 oz at a grade of 1.326 g/t	

Projects	Companies	Project information	Results	Investments
		Sadiola on a road suitable for vehicles all-weather road.		
8. Sandama exploration permit	BAUXITE AND IRON SARL	The **Sandama** exploration permit has been granted to **EARSTHSTONE RESSOURCES MALI for** the exploration of bauxite and Group 3 minerals. The bauxite deposit on the Sandama permit was formed in the lateritic weathering cover at the expense of dolerites, gabbro-diabase and other magmatic rocks of basic basic composition of Mesozoic formation.	27,000,000 tonnes for 45.3% Al2O3	586,791,630
9 Torakoro exploration permit	TIMBUKTU RESSOURCES SARL/BIRIMIAN GOLD LIMITED	The Torakoro exploration permit has been granted to TIMBUKTU RESSOURCES SARL for the exploration of gold and Group II minerals in the Bougouni district of the Sikasso region. Access to the permit is via the RN7 road (Bamako-Sikasso), then south-west on the RN8 road (Bougouni-Yanfolila) and finally north-west from the village of Nkemene towards the village of Mafélé.	65 Mt for 931,000 tonnes containing LiO2	3,688,982,761.68
10. Exploration permit for Sanoukou	GREAT QUEST MALI SA	The Sanoukou exploration permit has been granted to GREAT QUEST MALI for the exploration of gold and Group II minerals in the Kènièba district, Kayes region. The Sanoukou exploration permit is located 5 km southwest of the town of Kénièba.	55,830 oz for 1.736 g/t	313,895,087
11. Exploration permit for Maligonga East	FOKOLORE MINING SARL	The Maligonga East exploration permit was granted by Decree No. 2006/MM-SG of June 10, 2016, to FOKOLORE MINING SARL for the exploration of gold and Group II minerals. The permit is accessible via the RN24 paved road west of Bamako, passing through Kita to Dabia over a distance of 405 km, and from Dabia, a laterite track leading from Diabarou-Makonké-Faléa leads to the Maligonga East permit.	43,101 ounces	265,204,486

Source: National Directorate of Geology and Mines

6.1.4 Oil and gas project in advanced phase

Since 2012, only HYDROMA has been in the advanced exploration phase in the hydrogen sector.

SIPEX, an Algerian company and subsidiary of SONATRACH, was processing seismic data acquired previously before declaring force majeure in 2012 , suspending activities.

6.2 Production

6.2.1 Status of the main mines in operation in 2019

The figure below shows the status of the main mines in operation in Mali in 2019

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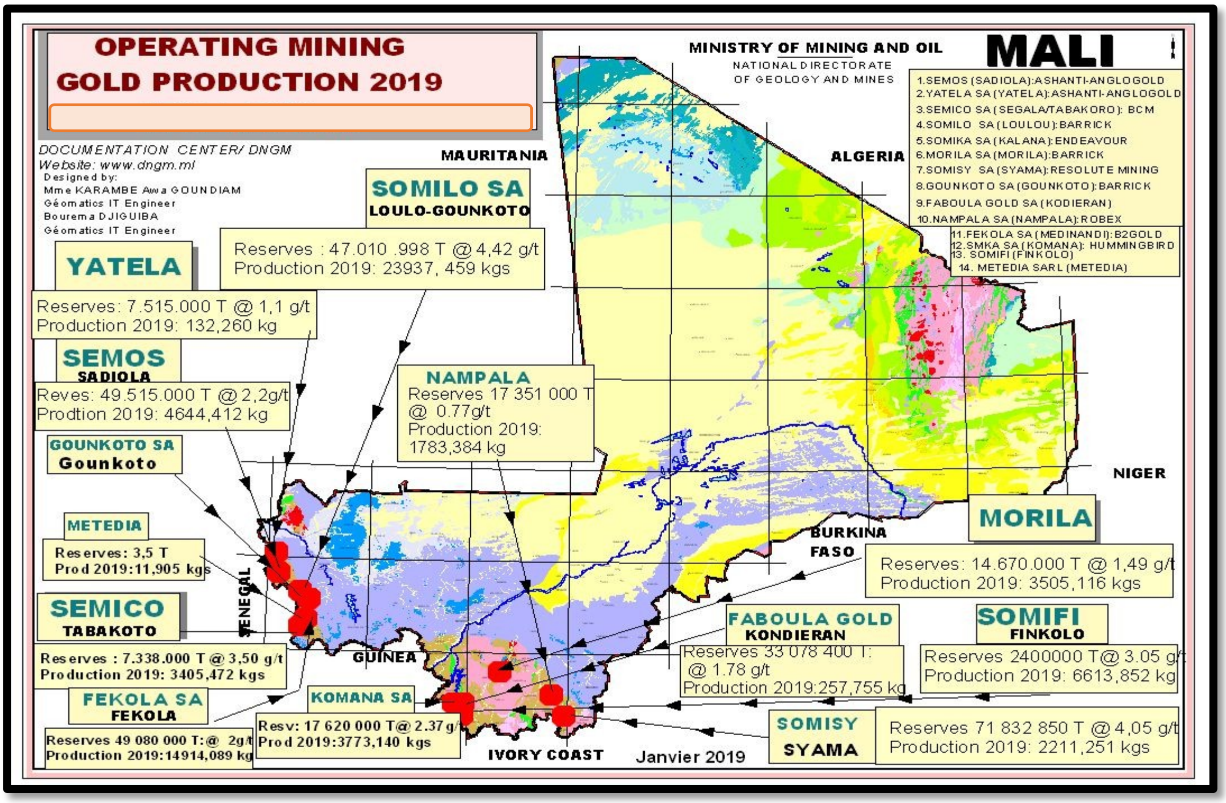
Figure 12: Status of the main mines in operation in Mali in 2019

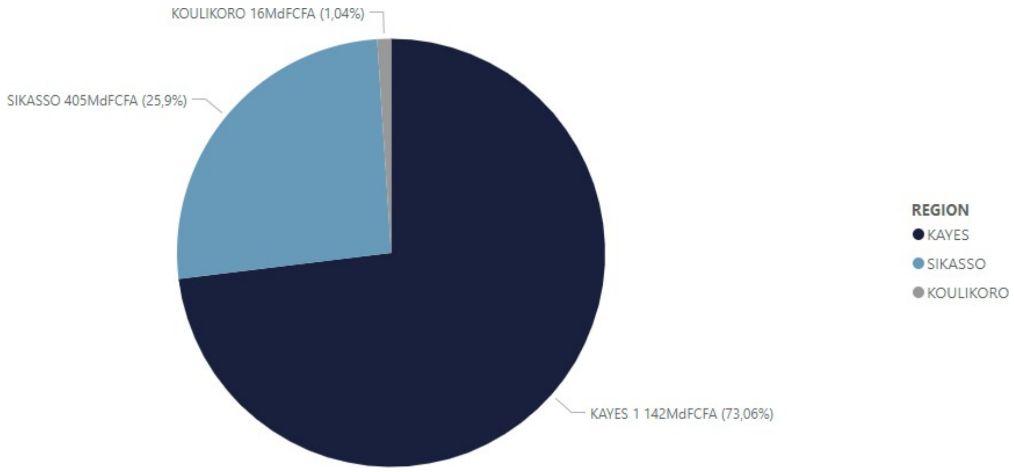


Source: National Directorate of Geology and Mines

6.2.2 Production breakdown by region

Production in the extractive sector in 2019, as reported by the DNGM and extractive companies, is broken down by region as follows:

Figure 13: Breakdown of extractive sector production by region (in billion CFA francs)

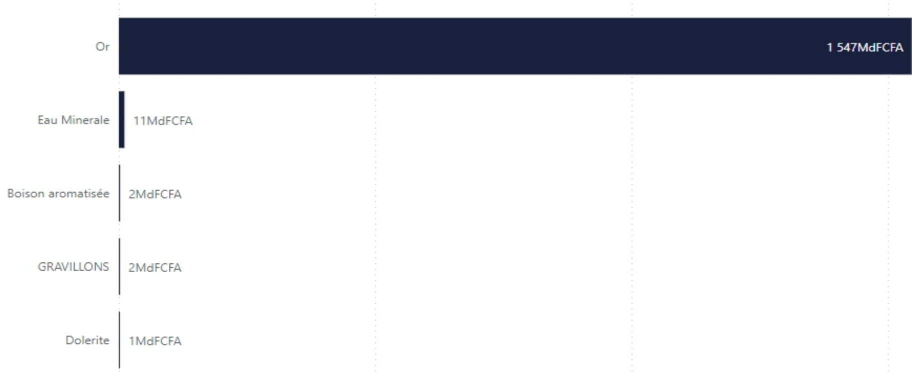


Source: Extractive companies' reporting forms

6.2.3 Breakdown of production by substance

Production in the extractive sector, by substance, is as follows:

Figure 14: Breakdown of production in the extractive sector by substance (in billions of CFA francs)



Sources: Extractive companies' reporting forms

Table 31: Breakdown of production in the extractive sector by substance (in billions of CFA francs)

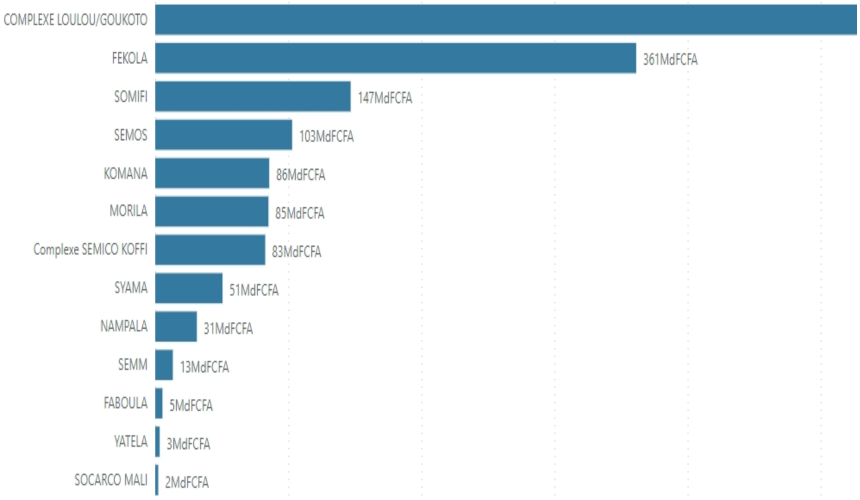
Nature	Valeur (XOF)	%
Or	1 546 653 894 693FCFA	98,96%
Eau Minerale	10 865 708 162FCFA	0,70%
Boison aromatisée	2 361 373 402FCFA	0,15%
GRAVILLONS	2 249 565 763FCFA	0,14%
Dolerite	808 601 623FCFA	0,05%
Total	**1 562 939 143 643FCFA**	**100,00%**

Sources: Extractive companies' reporting forms

6.2.4 Breakdown of production by company

Production as reported by the DNGM (gold) and extractive companies (other substances)

Figure 15: Breakdown of production by company (in billions of CFA francs)



Sources: Extractive companies' reporting forms

Table 32: Breakdown of production by company (in billions of CFA francs)

Sociétés	Nature	Unités	Quantité
YATELA	Or	Kg	132
FABOULA	Or	Kg	258
NAMPALA	Or	Kg	1774
SYAMA	Or	Kg	2211
Complexe SEMICO KOFFI	Or	Kg	3405
MORILA	Or	Kg	3505
KOMANA	Or	Kg	3773
SEMOS	Or	Kg	4644
SOMIFI	Or	Kg	6614
FEKOLA	Or	Kg	14914
COMPLEXE LOULOU/GOUKOTO	Or	Kg	23937
SEMM	Boison aromatisée	Litre	6634595
SEMM	Eau Minerale	Litre	87737202
RAZEL	Dolerite	Kg	119048150
SOCARCO MALI	GRAVILLONS	Kg	281771000

Sources: Extractive companies' reporting forms

6.2.5 Reconciliation of production reported by extractive entities with that of the DNGM

The production figures for the main mining operators currently in operation in Mali are presented in the table below:

Table 33: Reconciliation of production reported by extractive companies and the DNGM

NIF	Gold production	Units	Initially received declarations			Adjustments			Amounts after adjustments		
			DNGM report	Declaration by companies Extractive	Differences	DNGM declaration	Company declarations	Discrepancies	DNGM statement	Company statements	Difference after adjustment
087800492H	FABOULA	Kg	25	258	-	-	-	-	258	258	-
087800368L	MORILA	Kg	3,505	3,505	-	-	-	-	3,505	3,505	-
087800828P	KOMANA	Kg	3,773	3,290	483	-	483	- ,483	3,773	3,773	-
087800776J	NAMPALA	Kg	1,783	1,774	9	9	-	9	1,774	1,774	-
087800040B	SYAMA	Kg	2,211	2,211	-	-	-	-	2,211	2,211	-
087800795T	SOMIFI	K	6,614	6,614	-	-	-	-	6,614	6,614	-
087800848K	FEKOLA	Kg	14,914	15,762	- 848	-	846	- ,846	14,914	14,916	- 2
087800378X	LOULOU/GOUKOTO COMPLEX	Kg	23,937	23,937	-	-	-	-	23,937	23,937	-
087800378X	SEMICO KOFFI Complex	Kg	3,405	3,592	- ,187	-	- 187 (4)	187	3,405	3,405	-
087800209E	SEMOS	Kg	4,644	4,644	-	-	-	-	4,644	4,644	-
087800382N	YATELA	Kg	132	132	-	-	-	-	132	132	-
	TOTAL Gold		65,176	65,719	-543	9	1,142	-1,133	65,167	65,169	-

Sources: Extractive companies' declarations and DNGM

- **Explanations of adjustments:**

(1) This adjustment results from the correction of the conversion error of the quantity of gold from ounces to kilograms.
(2) This was a data entry error by DNGM regarding the quantity of shipment no. PRFF 00068. It had recorded a value of 165.924 kg instead of 156.598 kg, a difference of 9 kg.
(3) The company had declared production of 432.564 kg corresponding to shipment 32 for the 2018 financial year and the last production for 2019 (bars FEK 2209 to FEK 2228) of 413.42 kg corresponding to the first shipment in 2020.
(4) The company had provided the provisional data in the form initially submitted. After checking with the DNGM, it corrected its declaration.

- **Unexplained discrepancies**

There is an unexplained discrepancy of 2 kg between the production declared by the extractive companies (65,169 kg) and that of the DNGM (65,167 kg). This discrepancy relates to the declarations of the company FEKOLA SA.

We have not received an explanation for this discrepancy.

6.2.6 Production not reconciled with other mineral resources

The DNGM was unable to provide production figures for mineral resources other than gold. For this reason, we were unable to reconcile the declarations of extractive companies with those of government entities. The table below provides details of the production concerned.

Table 34: Details of production statements not reconciled with the DNGM

NIF	Companies	Product	Units	Quantity	Amounts in CFA francs
087800709Y	RAZEL	Dolerite	Kg	119,048,150	808,601,623
087800500E	SOCARCO MALI	GRAVEL	Kg	281,771,000	2,249,565,763
087800054F	SEMM	Mineral water	Liter	87,737,202	10,865,708,162
087800054F	SEMM	Flavored beverage	Liter	6,634,595	2,361,373,402
	Total				16,285,248,950

Sources: Extractive companies' declarations and DNGM

6.2.7 Local sales

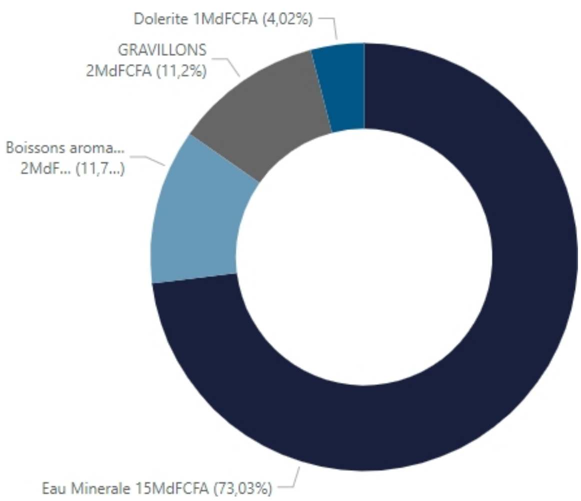
Local sales correspond to the share of production sold on the local market. They amount to a total of FCFA 20,093,770,168 net, broken down as follows:

Table 35: Local sales by product and company

NIF	Company	Type of product	Quantity	Unit	Value (in CFA francs)
087800054F	SEMM	Mineral water	87737202	litre	14,674,229,380
087800054F	SEMM	Flavored beverages	6634595	litre	2,361,373,402
087800709Y	RAZEL	Dolerite	119048150	Kg	808 601 623
087800500E	SOCARCO MALI	GRAVEL	28477100	Kg	2,249,565,763
					20,093,770,168

Sources: Declarations by extractive companies and the DNGM

Figure 16: Distribution of local sales by type of mineral



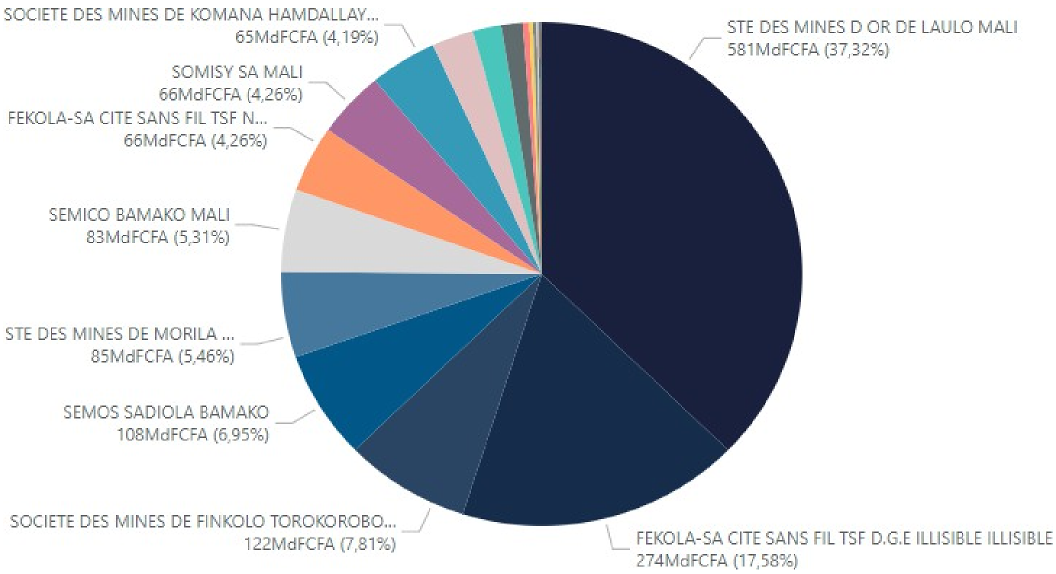
Sources: Extractive industry reporting forms

6.3 Exports

6.3.1 Breakdown of exports by company

Based on data provided by the DGD, exports from the extractive sector were as follows for 2019 (details of exports are presented in **Table 31 below**)
:

Figure 17: Breakdown of exports by company

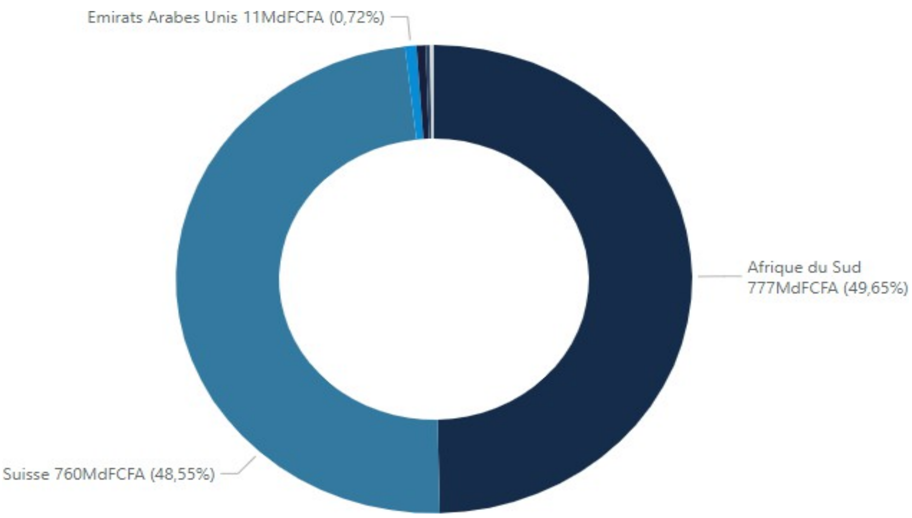


Sources: Extractive companies' declaration forms

6.3.2 Breakdown of exports by destination country

South Africa was the leading destination for exports from Mali's extractive sector in 2019, accounting for 49.6% of exports. It was closely followed by Switzerland with 48.5%. In terms of mineral substances, gold was the only substance exported.

Figure 18: Distribution of exports by destination country



Sources: Extractive companies' reporting forms

6.3.3 Reconciliation of exports reported by extractive companies with those of the Directorate General of Customs

The main mining operators currently active in Mali are listed in the table below:

Table 36: Reconciliation table of exports declared by companies with those of the Directorate General of Customs

Regions	NIF	Companies	Initially received declarations						Adjustments		Initially received returns					
			Declarations from the DGD		Companies		Difference				Statements by the DGD		Companies		Difference	
			Quantity in KG	Estimated values in FCFA	Quantity in KG	Estimated values in FCFA	Quantity in KG	Estimated values in FCFA	Quantity in KG	Estimated values in FCFA	Quantity in KG	Estimated values in FCFA	Quantity in KG	Estimated values in FCFA	Quantity in KG	Estimated values in FCFA
Sikasso	087800492H	FABOULA	25	6,254,128,400	258	6,254,128,400	0	0	0	0	258	6,254,128,400	258	6,254,128,400	-	-
	087800368L	MORILA	3,505	85,047,605,350	3,505	85,047,605,351	0	-1	0	0	3,505	85,047,605,350	3,505	85,047,605,351	-	- 1
	087800828P	KOMANA	3,773	85,640,238,368	3,290	85,640,237,368	(1) 483	1,000	483	0	3,773	85,640,238,368	3,773	85,640,237,368	-	1
	087800040B	SYAMA	2,719	66,240,458,133	2,211	55,350,014,862	(2) 508	10,890,443,271	-508	10,886,803,694	2,211	55,350,014,862	2,211	55,350,014,862	-	-
	087800795T	SOMIFI	6,107	149,245,569,047	6,614	163,937,894,155	(3)-	-14,692,325,108	507	14,692,325,109	6,614	163,937,894,156	6,614	163,937,894,155	-	1
	087800776J	NAMPALA	1,774	40,481,053,073	1,774	31,217,405,571	0	9,263,647,502			1,774	40,481,053,073	1,774	31,217,405,571	-	9,263,647,502
Kayes	087800378X	Complex SEMICO KOFFI	3,405	82,629,858,379	2,322	59,118,918,186	(4)1,083	23,510,940,193	1,083	23,511,207,098	3,405	82,629,858,379	3,405	82,630,125,284	-	- 266,905
	087800209E	SEMOS	4,644	108,116,462,679	4,644	108,116,462,679	0	0	0	0	4,644	108,116,462,679	4,644	108,116,462,679	-	-
	087800300L	LOULOU COMPLEX/ GOUKOTO	23,937	580,814,890,619	23,937	580,814,890,619	0	0	0	0	23,937	580,814,890,619	23,937	580,814,890,619	-	-
	087800382N	YATELA	132	3,107,896,015	132	3,107,896,017	0	-	0	0	132	3,107,896,015	132	3,107,896,017	-	- 2
	087800848K	FEKOLA	14,914	340,014,726,427	14,914	340,014,726,427	0	0	0	0	14,914	340,014,726,427	14,914	340,014,726,427	-	-
		TOTAL	**65,168**	**1,547,592,886,490**	**63,601**	**1,518,620 179,635**	**1,567**	**28,972,706,855**	**1,565**	**49,090,335,901**	**65,167**	**1,551,394,768,328**	**65,167**	**1,542,131,386,733**	**-**	**9,263,381,595**

Sources: Extractive companies' declarations and DGD

- **Explanations of adjustments:**

(1) This adjustment results from the correction of the conversion error of the quantity of gold from ounces to kilograms. It has no impact on the value of exports.

(2) Part of SOMIFI's production was declared on behalf of SYAMA at customs for 507 kg, with a value of F CFA 12,304,391,939. Customs estimated the value of the gold at 24,263,579 CFA francs instead of 29,248,950 CFA francs per kg, as stated on the pro forma invoice for September, October, and November (1,891,090,862-1,568,779,157) + (3,740,852,958-3,103,273,496)+ (2,685,433 846-2,227,736,768)= 1,417,588,246

(3) Part of SOMIFI's production was declared on behalf of SYAMA at customs for 507 kg, with a value of F CFA 12,304,391,939. In addition, customs estimated the value of the gold at 24,263,579 CFA francs instead of 29,248,950 CFA francs per kg as stated on the

pro forma invoices for the months of August, September, and October (4,136,211,015 - 3,431,247,942)+ (4,536,512,145 - 3,763,322,980)+ (5 337,933,375 - 4,428,152,443)= ,238,733,170

(4) The company had provided provisional data in the form initially submitted. After reconciliation, it corrected its declaration.

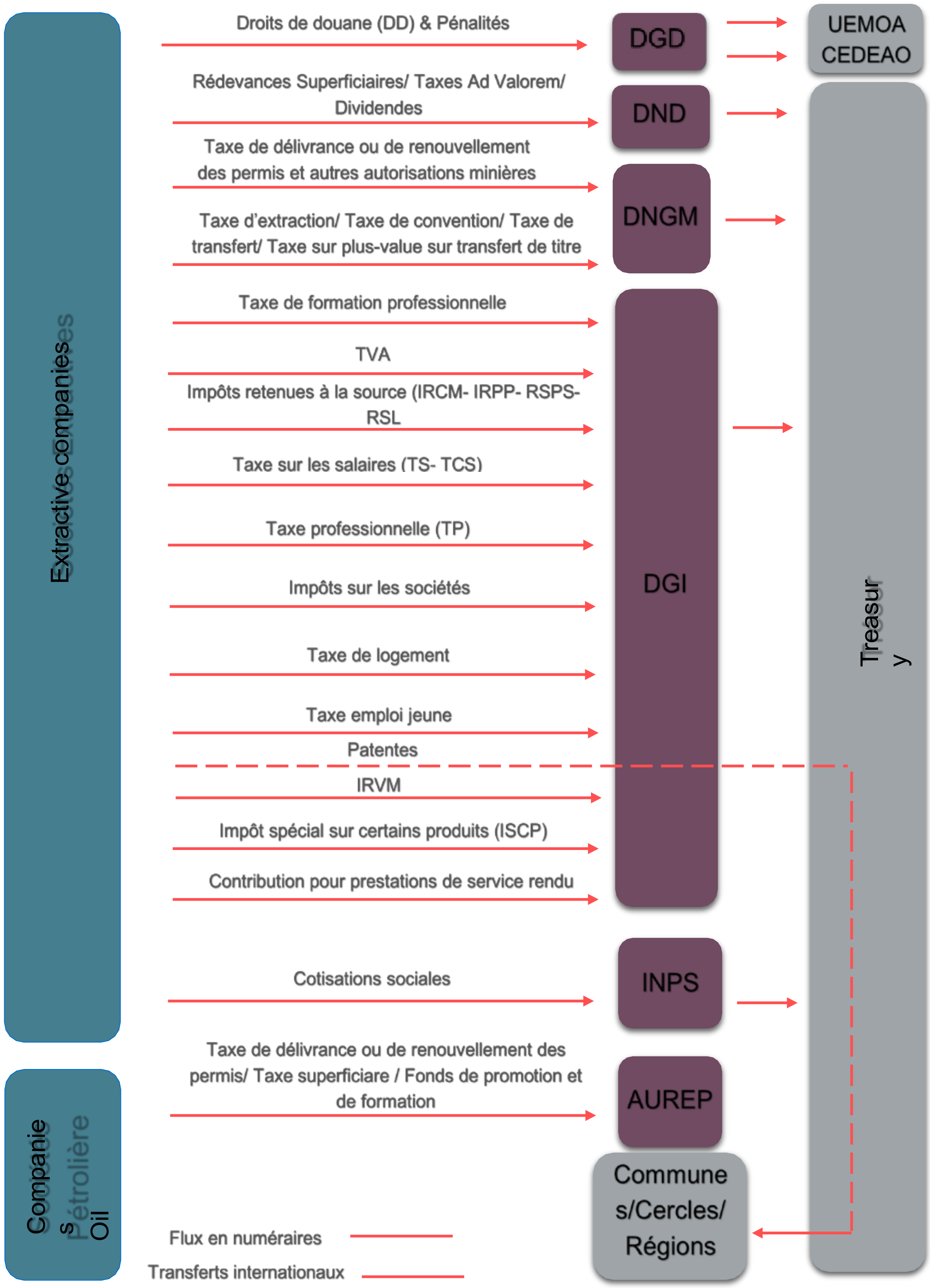
- **Explanation of the residual difference:**

The residual difference amounts to a total of FCFA 9,263,381,595. It corresponds to the difference between the export value per kilogram of gold applied by the Customs Department, which is an average of FCFA 22,819,083, and that applied by the company, which is an average of FCFA 17,597,184.65. This difference in estimated export prices creates a discrepancy in monetary values, notwithstanding the absence of any discrepancy in the quantities exported.

VII. REVENUE COLLECTION

7.1 Payment flows

In accordance with requirement 4.1 of the EITI 2019 standard, we present below the taxes and revenues reported by extractive companies and their payment flows.



7.2 Reconciliation work

In accordance with the methodology described in section 4.2.2, we have reconciled the revenue statements of the State revenue collection agencies with the payments reported by the extractive companies within the scope of the reconciliation.

We have highlighted the initial amounts reported, the adjustments we made following the reconciliation work, and the final amounts and definitive unreconciled differences.

The tables below summarize the differences between the payment flows reported by the oil companies and the revenue flows reported by the State. These tables include the consolidated figures from the reports of each mining company and collection agency, the adjustments we made based on our reconciliation work, and the remaining unreconciled differences.

The tables below show the situation regarding the differences.

7.2.1 Reconciliation by company

The reconciliation of payment flows by company is as follows:

Table 37: Results of reconciliation work by company

No.	Companies	Initially received statements			Adjustments			Amounts after adjustments		
		Companies	Government	Difference	Companies	Government	Difference	Companies	Government	Difference
1	BARRICK	834,646,000	799,347,760	35,298,240	34,327,635	1,250,000	35,577,635	800,318,365	800,597,760	- 279,395
2	CMM	903,967,222	847,366,543	56,600,679	137,503,000	5,059,400	132,443,600	1,041,470,222	852,425,943	189,044,279
3	FABOULA	2,391,392,420	2,270,134,096	121,258,324	36,925,269	-	36,925,269	2,354,467,151	2,270,134,096	84,333,055
4	FEKOLA	100,786,986,032	112,480,894,861	- 11,693,908,829	12,950,414,773	-	12,950,414,773	113,737,400,805	112,480,894,861	1,256,505,944
5	GOUNKOTO	37,338,293,866	46,461,621,473	- 9,123,327,607	2,925,525,561	-	2,925,525,561	40,263,819,427	46,461,621,473	- 6,197,802,046
6	IAMGOLD	253,027,780	258,309,519	- 5,281,739	352,500	-	352,500	253,380,280	258,309,519	- 4,929,239
7	MMR	45,444,461	45,444,461	-	-	-	-	45,444,461	45,444,461	-
8	MORILA	13,109,179,482	20,865,507,640	- 7,756,328,158	8,089,664,104	- 99,989	8,089,764,093	21,198,843,586	20,865,407,651	333,435,935
9	NAMPALA	3,461,332,850	3,556,378,487	- 95,045,637	79,296,286	-	79,296,286	3,540,629,136	3,556,378,487	- 15,749,351
10	NEVSUN	109,762,973	100,626,951	9,136,022	-	- 5,200,000	5,200,000	109,762,973	95,426,951	14,336,022
11	HYDROMA	388,740,249	402,952,406	- 14,212,157	13,779,829	- 459,328	14,239,157	402,520,078	402,493,078	27,000
12	RAZEL	86,078,749	195,811,377	- 109,732,628	45,952,557	- 69,715,847	115,668,404	132,031,306	126,095,530	5,935,776
13	SEMICO	18,883,364,611	17,065,775,250	1,817,589,361	-	-	-	18,883,364,611	17,065,775,250	1,817,589,361
14	SEMOS	22,191,062,754	22,937,424,639	- 746,361,885	688,281,191	-	688,281,191	22,879,343,945	22,937,424,639	- 58,080,694
15	SMK	7,367,845,242	7,311,894,674	55,950,568	21,625,710	-	21,625,710	7,389,470,952	7,311,894,674	77,576,278
16	SOMIFI	11,443,253,792	11,832,067,190	- 388,813,398	-	-	-	11,443,253,792	11,832,067,190	- 388,813,398
17	SOMIKA	1,446,297,358	1,428,790,666	17,506,692	- 15,418,364	-	- 15,418,364	1,430,878,994	1,428,622,892	2,088,328
18	SOMILO	66,878,740,163	83,837,989,380	-16,959,249,217	18,541,078,102	-	18,541,078,102	85,419,818,265	83,837,989,380	1,581,828,885
19	SOMISY	23,051,443,742	31,533,566,081	- 8,482,122,339	1,630,566,116	-	1,630,566,116	24,682,009,858	31,533,566,081	-
2	TIMBUKTU	120,853,494	110,808,513	10,044,981	-	450,000	- 450,000	120,853,494	111,258,513	9,594,981
21	SEMM	1,024,329,132	1,632,802,015	- 608,472,883	-	-	-	1,024,329,132	1,632,802,015	- 608,472,883
2	SOCARCO	343,832,837	426,337,918	- 82,505,081	17,979,386	-64,575,775	82,555,161	361,812,223	361,762,143	50,080
23	YATELA	285,696,772	289,637,070	- 3,940,298	15,399,585	-	15,399,585	301,096,357	289,637,070	11,459,287
	Total	**312,745,571,981**	**366,691,488,970**	**(53,945,916,989)**	**45,070,747,432**	**(133,291,539)**	**45,204,038,971**	**357,816,319,413**	**366,558,029,657**	**(8,741,878,018)**

Sources: Reporting forms from extractive companies and state revenue collection agencies

7.2.2 Reconciliation by flow

The reconciliation of payment flows by financial management and type of flow is detailed as follows:

Table 38: Results of reconciliation by financial management and type of flow

Tax	Initially received declarations			Adjustments			Amounts after adjustments		
	Companies	Government	Difference	Companies	Government	Difference	Companies	Government	Difference
DND	**59,499,196,081**	**63,132,059,643**	**- $3,632,863,562**	**5,265,475,286**	**- 5,200,000**	**5,270,675,286**	**64,725,931,367**	**63,088,119,643**	**1,637,811,724**
Ad valorem tax	41,304,772,151	45,833,787,109	-	5,250,490,286	-	5,250,490,286	46,555,262,437	45,833,787,109	721,475,328
Dividends	17,993,911,140	17,092,660,859	901,250,281	-	-	-	17,993,911,140	17,092,660,859	901,250,281
Surface rights	200,512,790	205,611,675	-	14,985,000	-	20,185,000	176,757,790	161,671,675	15,086,115
DGE	**190,484,430,360**	**229,229,952,786**	**-38,745,522,426**	**34,393,264,470**	**-**	**34,400,253,859**	**224,877,694,830**	**229,222,963,397**	**-**
Contribution for services rendered	3,434,812,783	5,635,000	3,429,177,783	- 3,434,812,783	- 5,635,000	-	-	-	-
Stamp duty	3,766,058,078	4,305,862,218	- 539,804,140	603,091,566	1,103,450,002	- 500,358,436	4,369,149,644	5,409,312,220	-
Registration fee	180	1,103,451,252	-	-	-	1,103,450,002	180,000	1,250	178,750
Special tax on certain products (ISCP)	40,979,823,256	48,174,869,035	-	4,959,296,887	-	4,959,296,887	45,939,120,143	48,174,869,035	-
IRVM	1,405,788,832	2,310,318,147	- 904,529,315	44,964,608	- 12,454,310	57,418,918	1,450,753,440	2,297,863,837	-
Corporate income tax (provisional payments)	85,181,793,089	126,137,939,038	-40,956,145,949	40,236,227,064	-	40,236,227,064	125,418,020,153	126,137,939,038	-
Housing tax	1,066,469,488	880,912,337	185,557,151	12,558,622	3,334,407	9,224,215	1,079,028	884,246,744	194,781,366
Vocational training tax	402,672,253	152,160,178	250,512,075	23,663,163	241,253,758	- 217,590,595	426,335,416	393,413,936	32,921,480
Flat-rate contribution payable by the employer	3,218,427,292	4,166,455,441	- 948,028,149	384,257,502	-	384,257,502	3,602,684,794	4,166,455,441	-
Youth employment tax	393,411,792	149,856,462	243,555,330	30,462,787	241,096,638	- 210,633,851	423,874,579	390,953,100	32,921,479
VAT	16,139,206,450	302,780,186	15,836,426,264	- 10,890,514,293	-	-	5,248,692,157	302,780,186	4,945,911,971

Tax	Initially received returns			Adjustments			Amounts after adjustments		
	Companies	Government	Difference	Companies	Government	Difference	Companies	Government	Difference
Tax on salary processing	22,881,311,366	23,469,344,645	- 588,033,279	819,107,876	- 474,879,810	1,293,987,686	23,700,419,242	22,994,464,835	705,954,407
BIC deductions	7,246,382,933	7,249,199,103	- 2,816,170	161,071,410	-	161,071,410	7,407,454,343	7,249,199,103	158,255,240
VAT deductions	3,392,944,489	10,253,364,946	-	2,354,795,719	34,928	2,354,760,791	5,747,740,208	10,253,399,874	-
IRF deductions	21,039,490	6,040,000	14,999,490	-	260,000	-	21,039,490	6,300,000	14,739,490
Other withholding taxes	675,447,875	-	675,447,875	- 662,779,628	-	- 662,779,628	12,668,247	-	12,668,247
General solidarity contribution	87,326,726	561,764,798	-	-	-	-	20,534,864	561,764,798	-
Penalties	191,334,168	-	191,334,168	-	-	-	10,000,000	-	10,000,000
DNGM	**125,966,466**	**373,692,282**	**- 247,725,816**	**93,473,751**	**-139,501,550**	**232,975,301**	**219,440,217**	**234,190,732**	**- 14,750,515**
Surface rights	902,615	70,246,955	-	352,500	- 69,750,775	70,103,275	1,255,115	496,180	758,935
Issuance fee	100,250,000	100,000,000	250,000	-	-	-	100,250,000	100,000,000	250,000
Renewal fee	500,000	115,500,000	- $115,000,000	100,000,000	-	100,000,000	100,500,000	115,500,000	- 15,000,000
Extraction tax (collection)	24,313,851	12,944,552	11,369,299	-	-	-	12,435,102	12,944,552	-
Capital gains tax on transfer of securities	-	-	-	-	-	-	-	-	-
Agreement fee	-	74,750,775	- 74,750,775	5,000,000	-	74,750,775	5,000,000	5,000,000	-
Transfer tax	-	-	-	-	-	-	-	-	-
Penalties	-	250,000	- 250,000	-	-	-	-	250,000	- 250,000
DGD	**23,782,573,769**	**35,398,653,371**	**- 11,616,079,602**	**5,579,727,737**	**-**	**5,579,727,737**	**29,362,301,506**	**35,398,485,597**	**-**
Customs duty	23,782,573,769	35,398,653,371	-	5,230,954,269	-	5,230,954,269	29,013,528,038	35,398,485,597	-
Penalties and litigation	-	-	-	348,773,468	-	348,773,468	348,773,468	-	348,773,468
DRI	**8,557,041,551**	**8,229,100,951**	**327,940,600**	**- 300,000,000**	**18,399,400**	**-318,399,400**	**8,257,041,551**	**8,247,500,351**	**9,541,200**
Patents	8,247,041,551	8,229,100,951	17,940,600	-	18,399,400	-	8,247,041,551	8,247,500,351	- 458,800
Penalties	310,000,000	-	310,000,000	- 300,000,000	-	- 300,000,000	10,000,000	-	10
National Office for Petroleum Research	**233,287,500**	**232,935,000**	**352,500**	**-**	**-**	**-**	**233,287,500**	**232,935,000**	**352,500**

Tax	Initially received returns			Adjustments			Amounts after adjustments		
	Companies	Government	Difference	Companies	Government	Difference	Companies	Government	Difference
Land tax	108,287,500	107,935,000	352,500	-	-	-	108,287,500	107,935,000	352,500
Promotion and training fund	125,000,000	125,000,000	-	-	-	-	125,000,000	125,000,000	-
INPS	**30,063,076,254**	**30,095,094,937**	**- 32,018,683**	**38,806,188**	**-**	**38,806,188**	**30,101,882,442**	**30,095,094,937**	**6,787,505**
Social security contributions	26,116,165,566	23,684,278,143	2,431,887,423	26,644,635	-	26,644,635	26,142,810,201	23,684,278,143	2,458,532,058
Compulsory health insurance (AMO)	2,930,028,291	6,410,816,794	-	12,161,553	-	12,161,553	2,942,189,844	6,410,816,794	-
Penalties and litigation	1,016,882,397	-	1,016,882,397	-	-	-	1,016,882,397	-	1,016,882,397
Total	**312,745,571,981**	**366,691,488,970**	**-**	**45,070,747,432**	**- 133,291,539**	**45,204,038,971**	**357,777,579,413**	**366,519,289,657**	**-**

Sources: Reporting forms from extractive companies and state collection agencies

7.2.3 Adjustment of declarations

Reconciliation work revealed initial discrepancies of CFAF 53,945,916,989 between the payment declarations of extractive companies (CFAF 312,745,571,981) and the declarations of collecting agencies (CFAF 366,691,488,970).

During the workshop to justify discrepancies held on February 24 and 25, 2022, representatives of collecting agencies and accountants from extractive companies were able to provide supporting documents for discrepancies totaling FCFA 45,204,039,150. These justifications enabled adjustments to be made to the declarations of extractive companies in the amount of FCFA 45,070,747,432 and those of collecting agencies in the amount of FCFA 133,291,539. Details are presented below.

7.2.3.1 Adjustments to declarations by company

The table below summarizes the adjustments by company:

Table 39: Summary of adjustments by company

Companies	Initial differences	Adjustment amounts	Differences after adjustments
BARRICK	35,298,240	- 35,577,635	- 279,395
CMM	56,600,679	132,443,600	189,044,279
FABOULA	121,258,324	- 36,925,269	84,333,055
FEKOLA	- 11,693,908,829	12,950,414,773	1,256,505,944
Gounkoto	- 9,123,327,607	2,925,525,561	- 6,197,802,046
HYDROMA	- 14,212,157	14,239,157	27
IAMGOLD	- 5,281,739	352,500	- 4,929,239
MORILA	- 7,756,328,158	8,089,764,093	333,435,935
NAMPALA	- 95,045,637	79,296,286	- 15,749,351
NEVSUN	9,136,022	5,200,000	14,336,022
RAZEL	- 109,732,628	115,668,404	5,935,776
SEMICO	1,817,589,361		1,817,589,361
SEMM	- 608,472,883		- 608,472,883
SEMOS	- 746,361,885	688,281,191	- 58,080,694
SMK	55,950,568	21,625,710	77,576,278
SOCARCO	- 82,505,081	82,555,161	50,080
SOMIFI	- 388,813,398		- 388,813,398
SOMIKA	17,506,692	- 15,418,364	2,088,328
SOMILO	- 16,959,249,217	18,541,078,281	1,581,829,064
SOMISY	- 8,482,122,339	1,630,566,116	- 6,851,556,223
TIMBUKTU	10,044,981	- 450,000	9,594,981
YATELA	- 3,940,298	15,399,585	11,459,287
Grand total	**- 53,945,916,989**	**45,204,039,150**	**- 8,741,877,839**

Sources: Reporting forms from extractive companies and state collection agencies

7.2.3.2 Adjustment by payment flow

The table below summarizes the adjustments by payment flow.

Table 40: Summary of adjustments by payment flow

Flow nomenclature	Initial differences	Adjustments	Differences after adjustments
Reconciliation difference	- 53,945,916,989		- 53,945,916,989
Compulsory health insurance (AMO)		7,719,785	7,719,785
Flat-rate contribution payable by the employer		380,884,430	380,884,430
Contribution for services rendered		- 301,835,514	- 301,835,514
Social security contributions		31,086,403	31,086,403
Customs duty		4,949,495,567	4,949,495,567
Customs duty		167,347,612	167,347,612
Stamp duty		12,437,082	12,437,082
Special tax on certain products (ISCP)		1,826,694,772	1,826,694,772
Tax on salary processing		762,089,419	762,089,419
Corporate income tax		28,703,624.78	28,703,624,786
Corporate income tax (provisional payments)		11,532,602,278	11,532,602,278
IRVM		56,328,918	56,328,918
Business licenses		- 15,869,400	- 15,869,400
Surface rights		20,185,000	20,185,000
Surface rights fees		70,103,275	70,103,275
BIC deductions		75	75
IRF deductions		- 1,700,000	- 1,700,000
VAT deductions		2,351,169,616	2,351,169,616
Ad valorem tax		5,250,490,466	5,250,490,466
Extraction tax (collection)		- 11,878,749	- 11,878,749
Agreement tax		74,750	74,750,775
Vocational training tax		19,849,310	19,849,310
Housing tax		6,995,380	6,995,380
Renewal tax		100,000,000	100,000,000
Youth employment tax		26,806,054	26,806,054
Value added tax		- 10,890,514,293	- 10,890,514,293
Total	**-**	**45,204,039,150**	**- 8,741,877,839**

Sources: Reporting forms from extractive companies and state revenue collection agencies

7.2.3.3 Explanations of adjustments

The table below summarizes the adjustments by reason.

Table 41: Summary of adjustments by category

No	Reasons for adjustments	Amounts in CFA francs	Ref
1	Payments reported by companies not supported by receipts from collection agencies	-6,251,952,746	(a
2	Receipts from collecting agencies not reported by extractive companies	907,639,430	(b)
3	Time lag between companies' payment declarations and receipts by collecting agencies	19,226,738	©
4	Receipts from the DGE following adjustments made by extractive companies	27,969,020,357	(
5	Provisional income tax withholding by the DGE	3,219,302,210	(e)
6	Correction on the declaration forms of the collecting agencies	133,291,539	(f)
	Grand total	**45,204,039**	

Sources: Reporting forms of extractive companies and state collection agencies

(a) This mainly consists of a declaration by MORILA relating to value added tax amounting to F CFA 5,944,482,232, which corresponds more to VAT credits.

Table 42: Details of payments reported by companies not supported by receipts from collecting agencies

Description	Amount	
MORILA	**-**	**5,944,482,232**
Stamp duty	-	84,000
Vocational training tax	-	5,411,148
Youth employment tax	-	5,411,148
Value Added Tax	-	5,933,575,936
SOMISY	**-**	**307,470,514**
Contribution for services rendered	-	307,470,514
Total	**-**	

Sources: Reporting forms from extractive companies and state collection agencies

(b) These are mainly receipts from collection agencies not initially reported by extractive companies.

Table 43: Details of receipts from collection agencies not declared by extractive companies

Description		Amount
BARRICK	**-**	**34,327,635**
Compulsory health insurance (AMO)	-	304,947
Flat-rate contribution payable by the employer	-	33,000,000
Social security contributions	-	1,022,688
CMM		**137,503,000**
Stamp duty		53,600,082
Corporate income tax (provisional payments)		6,919,759
IRVM		45,623,144
VAT deductions		31,360,015
FABOULA	**-**	**36,925,269**

Description		Amount
Customs duty	-	36,925,269
HYDROMA		**13,779,829**
Compulsory health insurance (AMO)		421,029
Social security contributions		1,412,049
Tax on salaries		12,088,064
Youth employment tax	-	141,313
IAMGOLD		**352,500**
Surface royalties		352,500
MORILA		**321,272,531**
Surface rights		14,985,000
VAT deductions		306,287,531
RAZEL		**45,952,557**
Customs duty		62,995,907
Tax on salary processing	-	644,113
Extraction tax (collection)	-	7,956,447
Value added tax	-	8,442,790
SEMOS	**-**	**12,641,030**
Housing tax	-	12,641,030
SOCARCO		**21,901,688**
Customs duty		20,901,688
Value added tax		1,000,000
SOMIKA		**38,300,745**
Compulsory Health Insurance (AMO)		7,603,703
Social security contributions		30,697,042
SOMISY		**412,470,514**
Special tax on certain products (ISCP)		307,470,514
Convention tax		5,000,000
Renewal tax		100,000,000
Total		**907,639,430**

Sources: Tax return forms from extractive companies and state collection agencies

© These are the differences between the dates of companies' payment declarations and the dates of collection by the collecting agencies.

Table 44: Details of time lags between companies' payment declarations and collections by revenue collection agencies

Description	Amount
FEKOLA	**12,950,414,773**
Corporate tax (provisional payments)	11,518,552,723
Ad valorem tax	1,431,862,050
Gounkoto	**1,254,796,165**
Special tax on certain products (ISCP)	606,397,395
Tax on salary processing	41,076,517
Ad valorem tax	605,146,993
Housing tax	2,175,260
MORILA	**640,330,469**
Flat-rate contribution payable by the employer	4,413,630
Special tax on certain products (ISCP)	190,000,000
Tax on salary processing	29,476,875
VAT deductions	15,320,931

Description		Amounts
Ad valorem tax		401,119,033
NAMPALA		**79,296,286**
Customs duty		120,375,286
Stamp duty	-	41,079,000
SEMOS		**700,922,221**
Flat-rate contribution payable by the employer		50,880,033
Special tax on certain products (ISCP)		108,166,310
Tax on salary processing		303,265,878
BIC deductions		75,767,676
VAT deductions		90,078,561
Vocational training tax		29,074,311
Housing tax		14,615,141
Youth employment tax		29,074,311
SOCARCO	**-**	**3,922,302**
Extraction tax (collection)	-	3,922,302
SOMIKA	**-**	**53,719,109**
Flat-rate contribution payable by the employer	-	25,968,006
Special tax on certain products (ISCP)		9,513,561
Tax on salary processing	-	43,394,699
Corporate tax (provisional payments)		7,129,796
IRVM	-	658,536
BIC withholding tax	-	591,498
Housing tax	-	6,690,664
Youth employment tax		6,940,937
SOMILO		**2,858,406,004**
Special tax on certain products (ISCP)		605,146,992
VAT deductions		45,784,150
Ad valorem tax		2,207,474,862
SOMISY		**784,814,268**
Flat-rate contribution payable by the employer		182,455,245
Ad valorem tax		589,487,943
Housing tax		12,871,080
YATELA		**15,399,585**
Ad valorem tax		15,399,585
Total		**19,226,738,360**

Sources: Tax returns of extractive companies and State collection agencies

(d) These are receipts from collection agencies due to adjustments made to extractive companies, which were not declared by the companies.

Table 45: Details of DGE receipts following adjustments to extractive companies

Description	Amount
Gounkoto	**1,670,729,396**
Flat-rate contribution payable by the employer	22,772,085
Tax on salaries	60,000,000
Corporate income tax	1,587,957,311
MORILA	**12,365,189,207**
Corporate income tax	11,879,961,408
VAT withholdings	485,227,799

Description	Amount
SMK	**21,625,710**
Flat-rate contribution payable by the employer	21,625,710
SOMILO	**13,911,476,044**
Flat-rate contribution payable by the employer	157,705,733
Tax on salaries	$360,220,897
Corporate income tax	12,016,403,857
VAT deductions	1,377,145,557
Total	**27,969,020,357**

Sources: Tax returns filed by extractive companies and state collection agencies

(e) These are provisional payments on VAT credits of extractive companies by the DGE.

Table 46: Details of provisional income tax payments by the DGE

Description	Amount
MORILA	**707,354,129**
Corporate tax	707,354,129
SOMILO	**1,771,196,233**
Corporate income tax	1,771,196,233
SOMISY	**740,751,848**
Corporate income tax	740,751,848
Total	**3,219,302,210**

Sources: Tax return forms for extractive companies and state collection agencies

(f) These mainly concern corrections made to the forms submitted by agencies due to data entry errors or the reporting of incorrect information.

Table 47: Details of corrections to reporting forms of collecting agencies

Description		Amount
DGE		**4,459,389**
Contribution for services rendered		5,635,000
IRVM		11,364,310
IRF deductions	-	1,700,000
VAT deductions	-	34,928
Vocational training tax	-	3,813,853
Housing tax	-	3,334,407
Youth employment tax	-	3,656,733
DND		**5,200,000**
Surface rights		5,200,000
DNGM		**139,501,550**
Surface rights fees		69,750,775
Agreement tax		69,750,775
DRI	**-**	**15,869,400**
Business licenses	-	15,869,400
Total		**133,291,539**

Sources: Reporting forms from extractive companies and state revenue collection agencies

7.2.4 Status of discrepancies after adjustments

The residual discrepancies after adjustment amount to CFAF 8,741,877,839. Table 44 below provides details by revenue collection agency. Details by extractive company are provided in Table 35.

Table 48: Details of residual discrepancies after adjustments by collection agencies

Regulatory agencies	Initial discrepancies	Adjustments	Differences after adjustments
DGD	- 11,616,079,602	167,347,612	- 11,448,731,990
DGE	- 38,745,522,426	39,510,103,983	764,581,557
DND	- 3,632,863,562	5,270,675,466	1,637,811,904
DNGM	- 247,725,816	232,975,301	- 14,750,515
DRI	327,940,600	- 15,869,400	312,071,200
INPS	- 32,018,683	38,806,188	6,787,505
ONRP	352,500		352,500
Total	**- 53,945,916,989**	**45,204,039,150**	**- 8,741,877,839**

Sources: Reporting forms from extractive companies and state revenue collection agencies

7.2.4.1 Status of residual gaps explained

The reconciliation work carried out during the justification workshop made it possible to explain a total of CFAF **6,647,890,442** of the total residual discrepancies after adjustments of CFAF **8,741,877,839**. The table below provides details of these explanations by category.

Table 49: Details of explained and unexplained residual discrepancies

Extractive companies / Collecting agencies	Residual differences after adjustments	Explained residual differences						Unexplained residual differences
		DGD	DGE	DND	DRI	INPS	Total	
BARRICK	- 279,395		5,850,000		4,600,000		10,450,000	- 10,729,395
CMM	189,044,279		2,117,648		5,060,000		7,177,648	181,866,631
FABOULA	84,333,055		-			84,670,491	84,670,491	- 337,436
FEKOLA	1,256,505,944	300,000,000	12,704,963		290,000,000		22,704,963	1,233,800,981
Gounkoto	- 6,197,802,046		- 6,197,229,962	1,399,627,016			- 4,797,602,946	- 1,400,199,100
HYDROMA	27,000						-	27,000
IAMGOLD	- 4,929,239		- 4,042,500				- 4,042,500	- 886,739
MORILA	333,435,935		145,150,977	429,946,695			575,097,672	- 241,661,737
NAMPALA	- 15,749,351						-	- 15,749,351
NEVSUN	14,336,022		14,336,022				14,336,022	-
RAZEL	5,935,776		1,705,880				1,705,880	4,229,896
SEMICO	1,817,589,361						-	1,817,589,361
SEMM	- 608,472,883		- 603,127,461	107,250	1,700,000		- 601 320 211	- 7,152,672
SEMOS	- 58,080,694		1,515,357,304	- 735,929,484			779,427,820	- 837,508,514
SMK	77,576,278	162,884,558	219,054,079				381,938,637	- 304,362,359
SOCARCO	50,080		1,125,000				1,125,000	- 1,074,920
SOMIFI	- 388,813,398		- 609,745,533	246,913,062			- 362,832,471	- 25,980,927
SOMIKA	2,088,328		2,256,102				2,256,102	- 167,774
SOMILO	1,581,829,064		3,001,294,711	654,383,616			3,655,678,327	- 2,073,849,263
SOMISY	- 6,851,556,223	4,949,495,567	-	- 599,050,702			- 6,436,916,663	- 414,639,560
TIMBUKTU	9,594,981						-	9,594,981
YATELA	11,459,287		- 3,739,061	21,994,848			18,255,787	- 6,796,500
Total	**- 8,741,877,839**	**5,412,380,125**	**- $13,284,293,359**	**1,417,992,301**	**- 278,640,000**	**84,670,491**	**- 6,647,890,442**	**- 2,265,124,633**

Sources: Reporting forms from extractive companies and state collection agencies

7.2.4.2 Explanation of residual differences

The table below summarizes the explanations for the net discrepancy of CFAF 6,647,890,442 on the residual discrepancy of CFAF 8,741,877,839.

Table 50: Details of explanations for residual differences by category

Explanation of differences		Amounts in CFA francs
Payment declarations by companies not supported by receipts issued by the DND (I)		22,374,555,464
Payment declarations by companies not supported by receipts issued by the DGE (II)		27,880,682,345
Payment by the company following adjustment and not declared by the INPS (III)		84,670,491
Payment by bank transfer from companies not supported by receipts issued by the DGE (IV)		210,922,394
Payment declarations by companies not supported by receipts issued by the (V)= (I)+ (II)+ (III)+ (IV)		**50,550,830,694**
Receipts from the DGE not declared by the companies (VI)	-	
DND receipts not reported by companies (VII)	-	
Receipts reported by collection agencies not reported by companies (VIII)= (VI)+ (VII)	**-**	
Differences related to inconsistencies between companies' payment declarations and collection agencies' cash receipt declarations (IX)= (V)+ (VIII)	**-**	**3,228,234,695**
Adjustments made by the DGE in litigation (X)	**-**	**3,522,842,099**
Subtotal Negative differences (XI)= (IX)+ (X)	**-**	**6,751,076,794**
Payment made to an agency outside the scope of reconciliation (XII)		36,394,490
Reclassification DGE / DGD (XIII)		66,791,862
Subtotal positive differences (XIV)= (XII)+ (XIII)		**103,186,352**
Net differences explained (XV)= (XI)+ (XIV)	**-**	**6,647,890**

Sources: Reporting forms of extractive companies and state collection agencies

7. Revenue from sales of the State's share of production and other revenue received in kind

In accordance with requirement 4.2 of the EITI Standard, "Revenue from sales of the State's share of production and/or other revenues received in kind," the government and state-owned enterprises are required to disclose the volumes resold and the revenues received.

However, the Republic of Mali does not derive any revenue from sales of production shares, as no hydrocarbon company is currently in production. No revenue in kind is also receiv .

7.4 Infrastructure supplies and barter agreements

The Multi-Stakeholder Group, in accordance with requirement 4.3 of the EITI Standard, shall verify the existence of agreements, or sets of agreements and arrangements, relating to the provision of goods and services in exchange for some or all of the concessions for the exploration or exploitation of oil, gas or minerals, or for the physical delivery of such raw materials.

The use of the reporting forms did not reveal any infrastructure supply agreements or barter agreements.

7.5 Revenue from transportation

Requirement 4.4 of the EITI Standard requires the Government and state-owned enterprises to disclose revenues from the transport of oil, gas or minerals if they are significant.

This requirement does not apply, as no oil company is currently operating in the area.

7.6 Subnational payments

In the course of our work, we did not become aware of any subnational payments. This situation is explained by the fact that the regulations in force in the hydrocarbons sector do not provide for subnational payments. Furthermore, the analysis of the reporting forms did not reveal any subnational payments.

7. Level of disaggregation

7.7.1 Definition of the term “project”

Requirement 4.7 of the 2019 EITI Standard requires that data be broken down by individual project, company, state entity, and revenue stream.

In order to comply with this requirement, on October 7, 2021, the EITI Mali Steering Committee adopted a note on the concept of project reporting, which defines the concept of a project, establishes the legal references, and specifies the taxes and duties included in project reporting.

The EITI Mali Steering Committee adopted the definition of a project as "all extractive activities governed by a single mining title and an agreement defining the basis for payment obligations to the State."

The EITI Mali Steering Committee also decided that only taxes and royalties covered by the mining code are taxed and reported by project. Other royalties, taxes and duties under common law are levied and reported according to the tax identification number (TIN) of the company holding the mining permit and not by project. The royalties, taxes and duties retained for reporting by project are therefore as follows:

- Special tax on certain products (royalty);
- Ad valorem tax (royalty);
- Surface taxes;
- State dividends;
- Fixed fees (issuance, renewal, transfer, and agreement fees).
- Overproduction taxes;
- Extraction fees for quarries;
- Capital gains on disposal;
- Penalties.
-

7.7.2 Status of project declarations

The requirement to report data by project has been included in the collection forms submitted to the extractive entities selected for reconciliation.

Of the 21 extractive companies that completed the reporting forms, 12 provided project-level disclosures, eight companies did not report taxes and levies by project, and one entity did not complete the relevant form.

The table below shows the situation regarding declarations by project.

Table 51: Project-based disclosures by extractive entities

No Order	Companies	Number of projects	References	License number	Type of permit	Declarations made by projects	Location
1	FABOULA	1	97 - 179 PM - RM of May 30, 1997	N/A		YES	CODING
2	FEKOLA	1	DECREE No. 201-0070/PM-RM OF 13 FEBRUARY 2014	PE 13/21	Operating license	YES	MEDINANDI
3	GOUNTOKO	1	2012-431/PM-RM OF 03/08/2012	2012-431/PM-RM	Operating permit	YES	KENIEBA CIRCLE KAYES REGION
4	MORILA	1	N/A	099-361/PM-RM	Not provided	YES	Rural Commune of Sanso and Domba
5	NAMPALA	1	Decree No. 2012-190/PM-RM of March 21, 2012, Decree No. 2012-684/PM-RM of November 29, 2012, Decree No. 2013-241/PM_RM of March 8, 2013	PE: 413/12	Large Mine Operating Permit	YES	Nampala, Finkolo commune, Sikasso circle, Sikasso region
6	RAZEL	1	Decree No. 09-3588/MM-SG of 02/12/2009 of the Ministry of Mines of the Republic of Mali	N/A		YES	Sonityegni (Kati District)
7	SEMOS	1	Decree No. 94-257/PM-RM of August 1, 1994, and Decree No. 00-080/PM-RM of March 6, 2000, amending Decree No. 94-257/PM-RM of August 1, 1994: New Area	008/94	Operating permit	YES	SADIOLA
8	SOMIFI	1	2013-667/PM-RM	PE13/19	Operating permit	YES	FINKOLO, MUNICIPALITY OF FOUROU, SIKASSO REGION
9	SOMIKA	1	Decree No. 03147/PM-RM of 7 APRIL 2003 and Decree No. 03-579/PM-RM OF 30.12.2003	001/84 bis	Large Mine Operating Permit	YES	R/SIKASSO C/YANFOLIA C/GOUANIAKA
10	SOMILO	1	2012-191/PM-RM OF 21/03/2012	2012-191/PM-RM	Large Mine Operating Permit	YES	KENIEBA CIRCLE KAYES REGION
1	SOMISY	1	No. 2019-0298/PM-RM	PE-93/003 and PE93/003 2BIS	Large Mine Operating Permit	YES	SYAMA, COM DE FOUROU, CER DE

No Order	Companies	Number of projects	References	License number	Type of permit	Declarations made by projects	Location
							KADIOLO, SIKASSO REGION
12	YATELA	1	Decree No. 00-063/PM-RM of February 25, 2000	PE 2000/16	Large Mine Operating Permit	YES	Municipality of Sadiola
13	BARRICK	2	2017-4102/MM-SG	17	Research permits	No	DIANGOUEMERILA
			2016-5025/MM-SG	16/833	Research permit	No	MOGOYAFARA
14	IAMGOLD	5	A2017/1211/MMG/SGG	A2017/1211/MMG/SGG	Exploration permit	No	Karita
			2017-4412/MM-SG	2017-4412/MM-SG	Research permit	No	Kambaya
			2015-3889/MM-SG	2015-3889/MM-SG	Research permit	No	Taya Maléa
			2011-3749/MM-SG	2011-3749/MM-SG	Research permit	No	Taya Maléa South
			2013-1746/MM-SG	2013-1746/MM-SG	Research permit	No	Kofia South
15	CMM	2	2013/3711-MM-SG & 2014/3614-MM-SG	AE 2013-98 SONITYENI	Operating license	No	SONITYENI
			2013/3710-MM-SG & 2014/3615-MM-SG	AE 2013-97 SOTOLI	Operating license	No	SOTOLI
16	MMR	3	No. 2021-4884/MM-SG of November 24, 2021 November 2021	No. 2021-4884/MM-SG of 24 November 2021	Research permits	No	Kayes/Faléa
			No. 2019-0551/MM-SG of March 12, 2019	No. 2019-0551/MM-SG of March 12, 2019	Research permit	No	Koulikoro/Dougabougou
			No. 2019-0552/MM-SG of March 12, 2019	No. 2019-0552/MM-SG of March 12, 2019	Research permit	No	Kayes/Kassaro
1	NEVSUN	2	2018-4268/MMP-SG		Research permit	No	Kéniéba
			2021-2127/MMEE-SG	14/05/2021 - Dabora	Exploration permit	No	Kéniéba
18	PETROMA	2	Decree No. 07-1223/MME SG of May 22, 2007 - EXPLORATION PERMIT	No. 07-1223	Exploration permit	Not	Not provided
			Decree No. 2013-323/PM-RM OF APRIL 5, 2013	No. 07-1223-323	Operating permit	No	Not provided
19	SEMICO	2	2011-676/PM-RM of October 11 2011	N 099-032/P-RM of August 19, 1999 PE 97/12	Not provided	No	N

No Order	Companies	Number of projects	References	License number	Type of permit	Statements made by projects	Location
			N 2014- 0448/PM/RM OF 13 JUNE 2014	N 014-00055/DEL of 5 March 2014 n 10-3061/MM SG	Not provided	No	N
2	TIMBUKTU	3	2019-3799/ MMP-SG	PR13/672	Research permit	No	BOUGOUNI CIRCLE
			2019-0642/PM-RM	PE19/25	Large Mine Exploitation Permit	No	BOUGOUNI CIRCLE
			2019-4873/MMP-SG	PR16/805	Exploration permit	No	BOUGOUNI DISTRICT
21	SMK	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided

Sources: Extractive companies' reporting forms

7. Data quality and quality assurance

7.8.1 Audit practices and adoption of international standards

Extractive entities, subcontractors, and public collection agencies are all subject to rules governing the auditing of their accounting and financial information.

7.8.1.1 Extractive entities and subcontractors

Extractive entities and subcontractors operating in Mali are subject to the rules of the Organization for the Harmonization of Business Law in Africa (OHADA) on auditing and accounting for companies.

In accordance with the provisions of the OHADA Uniform Act on Commercial Companies and Economic Interest Groups, public limited companies that do not issue securities to the public are required to appoint at least one statutory auditor and one alternate auditor. Public limited companies that issue securities to the public are required to appoint at least two statutory auditors and two alternate auditors.

Limited liability companies (SARL) and simplified joint stock companies (SAS) that meet two
(2) of the following three conditions are also required to appoint at least one statutory auditor and one alternate auditor:

1. Turnover exceeding FCFA 250,000,000;
2. Total assets exceeding FCFA 125,000,000;
3. Permanent workforce of more than 50 people.

Since January 1, 2018, with the adoption of Regulation 01/2017/CM/OHADA on the harmonization of auditing and accounting practices in OHADA member countries, professionals performing audit engagements are required to comply with international auditing standards (ISA) and the provisions of the Code of Ethics of the International Federation of Accountants (IFAC).

7.8.1.2 State collection agencies

Collecting agencies are subject to administrative and judicial oversight by state oversight bodies. Audit engagements of the main public finance oversight bodies are carried out in accordance with international auditing standards issued by the International Organization of Supreme Audit Institutions (INTOSAI) and ISA auditing standards.

The main control and audit bodies for revenue collection agencies are:

1. **The General Control of Public Services (CGSP):**

The General Inspectorate of Public Services has broad powers of audit and inspection over all ministerial departments and all categories of public services, including those that directly or indirectly receive financial assistance from the State and public authorities. It is also responsible for investigating possible corruption or economic or financial misconduct in the services and bodies it audits, assessing the propriety of public expenditure and the regularity of financial and accounting operations, and evaluating the effectiveness of services and bodies.

The CGSP is affiliated with the International Organization of Supreme Audit Institutions (INTOSAI) as a Supreme Audit Institution (SAI).

2. The Accounts Section of the Supreme Court

The Accounts Section is one of the three sections of the Supreme Court. It is governed by Law No. 96-071 of December 16, 1996, which is the organic law establishing the organization and operating rules of the Supreme Court and the procedure to be followed before it.

The accounts section is responsible for:

- judging the accounts of public accountants and sanctioning management errors;
- verifying the financial management of administrative officials responsible for executing the State Budget and other budgets subject to the same rules under the law;
- auditing the accounts of public accountants responsible for specific matters;
- examining the financial and accounting management of bodies with legal personality and financial autonomy in which the State or other public authorities have a financial interest;
- verify and assess the accuracy of financial controllers' approvals on administrative and management documents;
- exercise any control, at any time, either on its own initiative or at the request of the President of the Republic, the Prime Minister, the President of the National Assembly or the President of the Supreme Court.

3. The Auditor General

The Auditor General is an Independent Administrative Authority established by Law No. 2012-009 of February 8, 2012, repealing and replacing Law No. 03-30 of August 25, 2003. Its duties are to:

- carry out performance and quality control of public services and agencies and of development programs and projects;
- monitor the regularity and accuracy of revenue and expenditure by the institutions of the Republic, civil and military administrations of the State, local authorities, and public institutions;
- verify the management operations of companies in which the State or another public entity holds a financial interest;
- verify the conformity and effectiveness of goods and services for the acquisition of which a private company has benefited from an exemption from customs duties or taxes;
- verify the financial assistance granted by the State or any public entity to any organization in relation to the purpose of such assistance;
- evaluate, at the request of the President of the Republic, the Government or Parliament, public policies with a view to proposing measures and actions to ensure a better balance between the cost and performance of public services, to make the use of public resources more relevant and, in general, to guarantee the proper functioning of public bodies and structures.

12https://www.intosai.org/fr/sur-lintosai/membres/isc-des-pays

The Auditor General is appointed by decree of the President of the Republic following a call for applications for a non-renewable term of seven (07) years.

7.8.2 Completeness and reliability of data collected

The 2019 EITI Standard (Requirement 4.9) requires that disclosures by companies and governments, in accordance with Requirement 4, must be subject to a reliable and independent verification process, in line with international auditing standards.

7.8.2.1 Criteria for data completeness and reliability

In order to ensure the reliability and completeness of the data reported in this report, the EITI Mali Steering Committee has taken the following measures for the declarations of extractive entities and State revenue collection agencies:

➢ **For extractive entities**

The reporting form must:

- be signed by the Chief Executive Officer and the Chief Financial Officer;
- be accompanied by the company's certified financial statements for the 2019 financial year or any other document signed by the Statutory Auditor certifying the certification of the financial statements for that financial year; and
- be certified by an external auditor (who may be the Statutory Auditor).

➢ **For financial authorities**

The declaration form must:

- be signed by the Chief Executive Officer or an authorized representative of the financial authority; and
- be certified by the Accounts Section of the Supreme Court in accordance with international auditing standards;
- for INPS, the form must be certified by its Statutory Auditor or an independent auditor.

7.8.2.2 Level of reliability of the data collected

➢ **For collecting agencies**

Under the agreed procedures, the reporting forms of the collecting agencies had to be signed by the Director General and certified by the Accounts Section in accordance with a reporting format that meets international auditing standards.

As of the date of this report, no collecting agency has submitted a form certified by the Accounts Section of the Supreme Court. Only the declaration forms of the DRI in Sikasso and Kayes and the Regional Treasuries of Sikasso, Kayes, and Koulikoro are signed by their Directors. This situation does not guarantee the reliability of the data provided by the collecting agencies. The table below provides details.

Table 52: Reliability of data from collecting agencies

No	Financial Authorities	Declaration Forms				
		Signed by the Chief Executive Officer	Certified by the accounting department	Physical	Electronic	Overall reliability
Mining sector:						
1	DGD	No	No	X	X	Low
2	DGE	No	No	X	X	Low
3	Kayes Tax Office	Yes	N/A	V	V	Average
5	Sikasso Tax Office	Yes	N/A	V	V	Medium
6	D	No	No	X	X	Low
7	DNGM	No	No	X	X	Low
8	DNTCP	Yes	No	X	X	Average
9	INPS	Yes	No	X	X	Medium
Hydrocarbon sector:						
1	ONRP	No	No	X	X	Low

Source: Reporting forms from collecting agencies

➢ For extractive companies

Under the agreed procedures, the reporting forms for extractive companies had to be signed by the Chief Executive Officer and certified by their statutory auditor or an independent auditor.

In light of the above criteria, we consider that the quality of the data reported by extractive companies is generally low. The reliability levels by category are as follows:

- Low for 10 companies representing 88.02% of total payments by extractive companies.
- High for 13 companies representing 10.80% of total payments by extractive companies;

Of the 25 extractive companies included in the reconciliation scope:

- 12 forms are not signed by the legal representatives;
- 11 disclosure forms were not signed by the statutory auditors;
- 7 companies did not submit the auditors' reports and certified financial statements.

Table 53: Reliability of data from extractive entities

No	Company	Declaration Forms			Financial Statements			Overall reliability
		Signed by Management	Certified by an auditor	Electronic or physical	EF 2019 Certified by a statutory auditor	Audit report or Affirmation letter from the sent	Electronic or physical	
Mining sector:								
1	BARRICK	Yes	Yes	V	Yes	Yes	V	High
2	CMM	No	No	X	Yes	Yes	V	Low
3	FABOULA	Yes	Yes	V	Yes	Yes	V	High
4	FEKOLA	No	No	X	No	No	X	Low
5	GOUNKOTO	No	No	X	Yes	Yes	V	Low
6	IAMGOLD	Yes	Yes	V	Yes	Yes	X	High
7	MMR	No	No	X	No	No	X	Low
8	MORILA	No	No	X	No	No	X	Low
9	NAMPALA	Yes	Yes	V	Yes	Yes	V	High
10	NEVSUN	Yes	Yes	V	Yes	Yes	V	High

No	Company	Declaration Forms			Financial Statements			Overall Reliability
		Signed by Management	Certified by an auditor	Electronic or physical	EF 2019 certified by a CAC	Audit report or letter sent	Electronic or physical	
11	RAZEL	Yes	Yes	V	Yes	Yes	V	High
12	SEMICO	No	No	X	No	No	X	Low
13	SEMM	No	No	X	No	No	X	Low
14	SEMOS	Yes	Yes	V	Yes	Yes	V	High
15	SMK	Yes	Yes	V	Yes	Yes	V	High
16	SOCARCO	Yes	Yes	X	No	Yes	V	High
17	SOMIFI	No	No	X	No	No	X	Low
18	SOMIKA	Yes	Yes	V	Yes	Yes	X	High
19	SOMILO	No	No	X	Yes	Yes	V	Low
20	SOMISY	No	No	X	No	No	X	Low
21	TIMBUKTU	Yes	Yes	X	Yes	Yes	X	High
22	YATELA	Yes	Yes	V	Yes	Yes	V	High
Hydrocarbon sector:								
1	HYDROMA	No	Yes	V	Yes	Yes	V	High

Source: Extractive entities' disclosure forms

Based on the criteria established by the EITI Steering Committee, the information contained in this report is considered to be of low reliability overall. The tables below provide details.

7.8.2.3 Completeness of data collected

- **Extractive companies' disclosure**

We were unable to obtain reporting forms from Diamond Cement Mali and Kofi SA. Their total payments amounted to FCFA 2,363 million, or 0.6% of the revenue collected by the State collection agencies, which amounted to FCFA 368,127,849,593. :

- **Reporting by revenue collection agencies**

We were unable to obtain unilateral declarations from all state revenue collection agencies. The table below shows the status of unilateral declarations not communicated by state agencies.

Table 54: Status of unilateral declarations not communicated by revenue collection agencies

Agency	Extractive companies outside the scope	Subcontractors declared by extractive companies	Total
INPS	154	102	256
DGD	154	114	268
DGE	146	71	237

Source: Pyramis/Mazars Group

Due to the lack of reporting by collection agencies, we do not have an estimate of the payments made by these companies.

VIII. ALLOCATION OF REVENUES

8.1. Distribution of revenues from extractive industries

In Mali, revenues from the extractive sector are collected and allocated to budget revenues in accordance with the principle of a single treasury account. This principle consists of pooling all tax and other revenues and allocating all public expenditure to this pool without distinction.

Thus, all cash flows generated are collected by the State's financial authorities in the single Treasury account, with the exception of social security contributions collected by the INPS.

Due to the principle of cash unity, it is impossible to determine the specific allocation of taxes and duties paid by extractive companies.

8.2. Subnational transfers

Requirement 5.2 of the EITI-2019 standard stipulates that “Where transfers between State entities, national and subnational, are related to revenues generated by extractive enterprises and are mandated by the national constitution, law, or other revenue-sharing mechanisms, the multi-stakeholder group shall ensure that significant transfers are disclosed. Countries implementing the EITI shall disclose the revenue-sharing formula, if any, and any differences between the amount of transfers calculated using the revenue-sharing formula and the amount actually transferred between the central government and each relevant subnational entity."

8.2.1. Legal framework and revenue allocation

Under Mali's current tax legislation, subnational transfers benefiting local authorities in the vicinity of extractive entities are as follows:

8.2.1.1. The Patent Contribution

The patent contribution is a tax of a real nature levied on the exercise of a profession. It is payable by all natural or legal persons exercising a profession in Mali for profit.
The business license consists of a fixed fee and a proportional fee based on the rental value of the business premises. It is **not linked to the turnover or annual gold production of the mining company.**

In accordance with Law No. 2011-036 of July 15, 2011, on the fiscal resources of municipalities, districts, and regions, the proceeds from business license fees are allocated as follows:

- 15% of the amount of the business license tax is allocated to the regional budget;
- 25% of the amount of the business license tax is allocated to the district budget;
- 60% of the amount of the business license tax is allocated to the municipality's budget.

8.2.1.2. Road tax

According to the provisions of Article 151 of the General Tax Code, the road tax is payable by individuals or legal entities subject to business tax and families living within a concession. The maximum rate is set at 5% of the amount of business tax.

The amount of the road tax is allocated in full (100%) to the municipal budget in accordance with the said law, pursuant t .

8.2.1.3. Contribution to the Mali Chamber of Mines

The mining chamber contribution is exclusively dedicated to the mining chamber. It corresponds to 10% of the professional license fee. The issuance and collection of this tax are handled by the tax authorities. The proceeds from this tax are used to finance the Mining Chamber at 100%.

8.2.2. Reconciliation of subnational transfers

The reconciliation work on subnational transfers focused on three (3) levels:

8.2.2.1. Reconciliation between the declarations of extractive companies and those of the Kayes and Sikasso DRI and the DGE13.

Table 55: Reconciliation of license payments with collection agencies (RIAs and DGE)

Regions	Companies	Classification of flows	Declaration (company)	Declaration (DRI)	Declaration (DGE)	Residual difference
Kayes	FEKOLA	Licenses	1,859,419,308	1,616,886,355		0
		Road tax		80,844,317		
		Mining chamber contribution		161,688,636		
	GOUNKOTO	Business licenses	739,494,056	643,038,309		-
		Road tax		32,151,915		
		Mining chamber contribution		64,303,832		
	KOFI14	Business licenses		1,932,013		(2,221,815)
		Road tax		96,602		
		Mining chamber contribution		193,200		
	SEMICO	Business licenses	360,093,714	313,124,969		-
		Road tax		15,656,248		
		Mining chamber contribution		31,312,497		
	SEMOS	Patents	612,493,812	532,603,316		-
		Road tax		26,630,166		
		Mining chamber contribution		53,260,330		
	SOMILO	Licenses	2,921,208,046	2,540,180,909		-
		Road tax		127,009,045		
		Mining chamber contribution		254,018,092		

[13] The patent payments to the DGE correspond to those of the liaison offices domiciled
[1]4 Kofi SA did not complete the declaration form

Regions	Companies	Flow nomenclature	Declaration (Company)	Declaration (DRI)	Declaration (DGE)	Residual difference
	YATELA	Licenses	1,437,500	1,250,000		-
		Road tax		62,500		
		Mining chamber contribution		125,000		
		Subtotal Kayes	6,494,146,436	6,496,368,251	-	-
Sikasso	MORILA	Business licenses	550,841,924	478,992,977		-
		Road tax		23,949,649		
		Mining chamber contribution		47,899,298		
	NAMPALA	Business licenses	186,212,533	161,923,942		1
		Road tax		8,096,196		
		Mining chamber contribution		16,192,394		
	SMK	Business licenses	144,879,758	125,982,398		-
		Road tax		6,299,120		
		Mining chamber contribution		12,598,240		
	SOMIFI	Business licenses	1,395,307	1,213,310		10
		Road tax		60,655		
		Mining chamber contribution		121,332		
	SOMIKA	Business licenses	59,597,358	49,563,790	2,599,000	-
		Road tax		2,478,189		
		Mining chamber contribution		4,956,379		
	SOMISY	Business licenses	787,798,235	682,841,943	2,530,000	-
		Road tax		34,142,097		
		Mining chamber contribution		68,284,195		
		Subtotal Sikasso	1,730,725	1,725,596,104	5,129,000	11
TOTAL			8,224,871,551	8,221,964,355	5,129,000	-2,221,804

Source: Declarations from collecting agencies and extractive companies

The difference of CFAF 2,221,804 is due to the absence of declarations from Kofi SA.

8.2.2.2 Verification of the calculation methodology and transfer to beneficiary territorial authorities

The work at this level consisted of ensuring the correct application of the distribution keys defined by the legislation in force. The table below presents the main results.

Table 56: Verification of the calculation of amounts transferred to regional treasuries on behalf of beneficiary communities

Mining companies	Taxes	Beneficiary local authorities	Amounts declared by the DRI	Distribution keys
FEKOLA	**Business licenses**	Rural municipality of Kenieba	970,131,813	60
		Kenieba District Council	404,221,589	25
		Kayes Regional Council	242,532,953	15
	Road tax	Rural municipality of Kenieba	80,844,317	100
Subtotal FEKOLA			1,697,730,672	
GOUNKOTO	**Business licenses**	Rural Commune of Kenieba	385,822,985	60
		Kenieba District Council	160,759,578	25
		Kayes Regional Council	96,455,746	15

Mining companies	Taxes	Beneficiary communities	Amount declared by the DRI	Distribution keys
	Road tax	Rural municipality of Kenieba	32,151,915	100
Subtotal GOUNKOTO			675,190,225	
KOFI	Business licenses	Rural Commune of Sitakily	1,159,208	60
		Kenieba District Council	483,003	2
		Kayes Regional Council	289,802	15
	Road tax	Rural municipality of Sitakily	96,602	100
Subtotal KOFI			1,932,013	
SEMICO	Business licenses	Rural Commune of Sitakily	187,874,981	60
		Kenieba Circle Council	78,281,242	25
		Kayes Regional Council	46,968,746	15
	Road tax	Rural municipality of Sitakily	15,656,248	100
SEMICO subtotal			328,781,218	
SEMOS	Business licenses	Rural Commune of Diamou	27,064,263	60
		Rural Commune of Sadiola	292,497,727	
		Kayes District Council	133,150,828	25
		Kayes Regional Council	79,890,497	15
	Road tax	Rural municipality of Diamou	2,255,354	8
		Rural municipality of Sadiola	24,374,812	92
SEMOS subtotal			559,233,481	
SOMILO	Business licenses	Rural municipality of Sitakily	1,524,108,545	60
		Kenieba District Council	635,045,228	2
		Kayes Regional Council	381,027,136	15
	Road tax	Rural Commune of Sitakily	127,009,045	100
SOMILO subtotal			2,667,189,955	
YATELA	Business licenses	Rural Commune of Sadiola	750	60
		Kayes District Council	312,500	25
		Kayes Regional Council	187,500	15
	Road tax	Rural municipality of Sadiola	62,500	10
YATELA subtotal			1,250,000	
Total for Kayes region			5,931,307,564	
NAMPALA	Business licenses	Rural commune of Finkolo Ganadougou	48,577,183	60
		Rural commune of Ntjicouna	48,577,183	
		Sikasso District Council	40,480,986	25
		Sikasso Regional Council	24,288,590	15
	Road tax	Rural municipality of Finkolo Ganadougou	4,048,098	50
		Rural municipality of Ntjicouna	4,048,098	50
Subtotal NAMPALA			170,020	
MORILA	Business licenses	Rural commune of Domba	11,528,525	60
		Rural municipality of Sanso	257,808,299	
		Rural municipality of Wola	18,058,962	
		Bougouni District Council	119,748,245	25
		Sikasso Regional Council	71,848,946	15
	Road tax	Domba Rural Commune	960,710	4
		Rural municipality of Sanso	21,484,025	90
		Rural municipality of Wola	1,504,914	6
Subtotal MORILA			502,942,626	
SOMIKA	Business licenses	Rural commune of Kalana (Goundiaka)	29,738,274	60
		Yanfolila District Council	12,390,948	25
		Sikasso Regional Council	7,434,569	15
	Road tax	Rural municipality of Kalana (Goundiaka)	2,478,189	100
SOMIKA subtotal			52,041,979	

Mining companies	Taxes	Beneficiary communities	Amounts declared by the DRI	Distribution keys
SMK	Business licenses	Rural commune of Yalankoro Soloba	75,589,439	60
		Yanfolila District Council	31,495,600	25
		Sikasso Regional Council	18,897,360	15
	Road tax	Rural municipality of Kalana (Goundiaka)	6,299,120	100
SOMIKA subtotal			132,281,519	
SOMIFI	Business licenses	Rural municipality of Fourou	727	60
		Kadiolo District Council	303,328	25
		Sikasso Regional Council	181,997	15
	Road tax	Rural municipality of Fourou	60,655	100
SOMIKA subtotal			1,273,965	
SOMISY	Business licenses	Rural municipality of Fourou	409,705	60
		Kadiolo District Council	170,710,486	25
		Sikasso Regional Council	102,426,291	15
	Road tax	Rural municipality of Fourou	34,142,097	10
Subtotal SOMISY			716,984,040	
Total Sikasso region			1,575,544,267	
Total			7,506,851,831	

Sources: Certificates of compliance from the DRIs and Regional Treasuries of Kayes and Sikasso

8.2.2.3 Reconciliation of subnational transfers reported by regional treasuries with those received by local authorities

The information provided by local authorities does not allow for reconciliation by company. This is because the transfer declarations of the Regional Treasury Offices are made on a monthly basis and do not provide details of the companies that made payments during the period under review.

Table 57: Reconciliation of declarations by local authorities with those of the Regional Treasury Offices in Sikasso and Kayes

Name of local authority	Type of tax	Mining companies	Amount according to the treasury	Amount according to the community	Differences in CFA francs
Sikasso Regional Council	License	SOMISY	104,546,066	101,702,924	128,278,136
		MORILA	71,848,946		
		SOMIKA	29,297,458		
		NAMPALA	24,288,590		
Sikasso District Council	Patent	NAMPALA	40,480,986	121,701,556	- 81,220,570
Kadiolo District Council	Patent	SOMISY	170,710,486	174,215,542	- 3,201,728
	Patent	SOMIFI	303		
Yanfolila District Council	License	SOMIKA	12,390,948	131,550,557	- 87 664 009
	Patent	SMK	31,495,600		
Bougouni District Council	License	MORILA	119,748,245	120,751,893	- 1,003,648
Rural commune of Finkolo Ganadougou	License	NAMPALA	48,577,183	48,588,156	- 10,973
	Road tax		4,048,098	4,048,098	-
Rural municipality of Ntjicouna	Business license	NAMPALA	48,577,183	48,577,183	-
	Road tax		4,048,098	4,048,098	-
	Business license	SOMISY	418,184,265	413,396,423	4,787,842

Name of the local authority	Type of tax	Mining companies	Amount according to the treasury	Amount according to the community	Differences in CFA francs
Rural commune of Fourou	Road tax		34,848,687	34,449,708	398,979
Rural municipality of Kalana (Goundiaka)	Business license	SOMIKA	30,188,274	30,564,045	- 375,771
	Road tax		2,515,689	2,547,003	- 31,314
Rural commune of Yalankoro Soloba	License	SOMIKA	87,001,558	87,044,057	- 42,499
	Road tax		7,250,109	6,976,151	273,958
Rural municipality of Sanso	Business license	MORILA	257,808,299	258,886,106	- 1,077,807
	Road tax		21,484,025	21,570,680	- 86,655
Rural municipality of Domba	License	MORILA	11,528,525	11,528,525	-
	Road tax		960,710	960,710	-
Rural municipality of Wola	Business license	MORILA	18,058,962	18,058,962	-
	Road tax		1,504,914	1,504,914	-
Total Sikasso			**1,601,695,232**	**1,642,671,291**	**-**
Kayes Regional Council	Business license	YATELA	187,500	899,483,747	- 52,131,365
		SEMOS	79,890,498		
		SOMILO	381,027,136		
		SEMICO	46,968,746		
		KOFI	289,802		
		GOUNKOTO	96,455,746		
		FEKOLA	242,532,953		
Kayes District Council	Patent	YATELA	312,500	151,936,563	- 18,473,235
		SEMOS	133,150,828		
Rural Commune of Diamou	Business license	SEMOS	27,064,263	27,931,502	- 867,239
	Road tax		2,255,354	2,327,632	- 72,278
Rural municipality of Sadiola	Business license	YATELA	750,000	323,784,874	- 30,537,147
		SEMOS	292,497,727		
	Road tax	YATELA	62,500	15,898	24,421,414
		SEMOS	24,374,812		
Kenieba District Council	Patent	SOMILO	635,045,228	1,286,810,336	- 8,019,695
		SEMICO	78,281,242		
		KOFI	483,003		
		GOUNKOTO	160,759,578		
		FEKOLA	404,221,589		
Rural Commune of Kenieba	Business License	GOUNKOTO	385,822,985	1,370,171,877	- 14,217,079
		FEKOLA	970,131,813		
	Road tax	FEKOLA	80,844,317	114,182,720	- 33,338,403
Rural Commune of Sitakily	Business license	SOMILO	1,524,108,545	1,717,446,830	- 4,304,095
		SEMICO	187,874,981		
		KOFI	1,159,208		
	Road tax	SOMILO	127,009,045	143,120,923	- 389,028
		SEMICO	15,626,248		
		KOFI	96,602		
Subtotal Kayes			**5,899,284,751**	**6,037,212,902**	**- 137,928,151**
Grand total			**7,500,979,983**	**7,679,884,193**	**-**

Sources: Declarations by the DRI and Regional Treasuries of Kayes and Sikasso

➢ Explanation of differences

The discrepancies between the statements of the regional treasuries and the local authorities are explained below.

a) Transfers of licenses from subcontractors of extractive companies:

In addition to transfers of licenses from extractive entities, the RDIs in Kayes and Sikasso reported payments of licenses and road taxes from certain mining subcontractors whose revenues were transferred to the local authorities where the mining sites are located. These licenses are paid at the same time as those of mining companies, which creates discrepancies with the extractive companies' declarations. The table below shows details of payments by subcontractors in the Kayes and Sikasso regions .

Table 58: Status of payments transferred by mining subcontractors to local authorities

Mining companies	Amount of payments
BME Sa diola	4,568,685
BLY MALI	3,429,705
BME MALI	15,084,374
GMS SA	14,369,678
Subtotal Kayes	**37,452,442**
AMS African	15,696,649
FLUICONNECTO	2,500,000
CAPITAL DRILLING	2,073,549
ACSS	750,000
AMS P/C	11,778,077
BME	3,577,536
CAPITAL DRILLING	6,840,986
ROCK UNDERGROUND SARL SYAMA	1,250,000
Subtotal Sikasso	**44,466,797**
Grand total	**81,919,239**

Sources: Declarations by DRIs and regional treasuries in Kayes and Sikasso

b) Transfers of patents from other companies outside the EITI scope

In addition to payments from subcontractors, local authorities receive transfers of business license fees and road tax from companies operating in other economic sectors. Since the details of contributing companies are not communicated to local authorities by the public treasury services, it is impossible for them to accurately reconcile their revenues with payments from extractive companies. This situation mainly explains the residual gap.

8.3. Revenue and expenditure management

8.3.1. Legal framework governing public finance management

The legal framework for public finance management essentially comprises:

- the Constitution of Mali;
- the harmonized framework for public finance management in WAEMU countries transposed into Malian legislation as follows:

Table 59: Transposition of WAEMU directives

➢ Directive No. 1/2009/CM/WAEMU on the transparency code in financial management	➢ Law No. 2013-031 of July 23, 2013 approving the Transparency Code in Public Finance Management
➢ Directive No. 06/2009/CM/UEMOA on within the WAEMU	➢ Law No. 2013-028 of July 11, 2013, as amended, relating to finance laws
➢ Directive No. 07/2009/CM/UEMOA on general regulations on public accounting within the WAEMU	➢ Decree No. 2014-349/P-RM of May 22, 2014 on general regulations on public accounting public
➢ Directive No. 08/2009/CM/UEMOA on the budgetary nomenclature of the State within the WAEMU	➢ Decree No. 2014-0694/P-RM of September 12, 2014 on the budgetary nomenclature of the State
➢ Directive No. 09/2009/CM/UEMOA on the plan State accountant within the WAEMU	➢ Decree No. 2014-0774/P-RM of October 14, 2014 on the State accounting plan
➢ Directive No. 10/2009/CM/UEMOA on the table of financial operations of the State within the WAEMU	➢ Decree No. 2014-350/P-RM of May 22, 2014 on the table of

- Law No. 2014-049 of September 19, 2014, on the fundamental principles of the creation, organization, management, and control of public services;
- Decree No. 2015-0604/PRM of September 25, 2015, establishing the code of public procurement and public service delegations;
- Decree No. 10-681/PRM of December 30, 2010, regulating inventory accounting.

8.3.2. Definition and budget preparation process

Article 6 of Law No. 2013-028 of July 11, 2013, on finance laws stipulates: "The finance law for the year shall contain the State budget for a calendar year. The budget shall describe the revenue and expenditure authorized by the finance law."

In other words, the budget is the act by which the revenue and expenditure of a public body are planned and authorized. This definition highlights certain characteristics of the State budget: the budget is both a forecast and an authorization.

The budget as a forecast: the budget is a forecast of revenue and expenditure (Article 2 of Law No. 2013-028 of July 11, 2013, as amended, on the Finance Act).

The budget as an act of authorization: budgetary authorization is an important act that falls within the exclusive competence of the legislative branch. This authorization is conferred through the vote on the budget by program and allocation by Parliament (Article 3 of Law No. 2013-028 of July 11, 2013, as amended, on the Finance Act).

Under the terms of Article 15 of Law No. 2013-028 of July 11, 2013, as amended, relating to finance laws, the State budget comprises three (3) types of budget:

- **the general budget**: lists all budgetary revenue and expenditure of the State, with the exception of revenue allocated by law to supplementary budgets and special accounts;
- **Supplementary budgets**: these show the expenditure and revenue of a government department without legal personality whose activity is mainly aimed at producing goods or providing services in return for payment (Article 33 of Law No. 2013-028 of July 11, 2013, as amended, relating to finance laws). Example: Mali's warehouses in ports;
- **special treasury accounts**: constitute a method of presenting budget appropriations; they distinguish between government services due to their temporary nature, their industrial or commercial nature, or the allocation of certain resources to certain expenditures.

Budget preparation activities mainly include:

- macroeconomic and budgetary framing activities;
- review of budgetary guidelines by the Council of Ministers;
- notification of spending ceilings by ministry by the Minister of Finance (issuance of the budget framework letter);
- preparation of budget requests by sectoral ministries and institutions;
- review of these requests by the Ministry of Finance: budgetary arbitration;
- finalization of the budget after arbitration and its adoption by the Council of Ministers;
- submission of the budget to Parliament.

These activities can be summarized in three main phases:

- a phase of determining a coherent budget strategy within a multi-year framework: budgetary framework
- a phase of defining budgetary discipline through dialogue: technical and political trade-offs;
- a phase of discussion and voting in the National Assembly.

The timetable for these three phases is as follows:

Table 60: Budgetary timetable

PHASES	ACTIVITIES	SCHEDULE
BUDGET FRAMEWORK	Budgetary framework leading to the determination of revenue, expenditure and the budget deficit, as well as budget allocations by ministry	January-April
	Notification of spending ceilings by the Minister of Finance to his counterparts: sending of the budget framework letter	May
	Budgetary policy debate with the National Assembly: presentation of budgetary policy guidelines and objectives	June
	Preparation of budget requests or preliminary draft budgets by sectoral ministries;	June
ARBITRATION	Review of these requests by the Ministry of Finance: budgetary arbitration ;	July – August
	Political arbitration between sectoral ministers and the Minister of Finance led by the Prime Minister;	September
	Adoption of the draft budget by the Council of Ministers;	
VOTE	Submission of the budget to Parliament and vote.	October–December

Sources: Mali Citizens' Budget, 2015 Finance Act

8.3. Public finance control actors

The public finance control bodies are:

- the General Control of Public Services (CGSP);
- the Accounts Section of the Supreme Court;
- the Auditor General

Their roles are already defined in section 8.6.1.2 of this report.

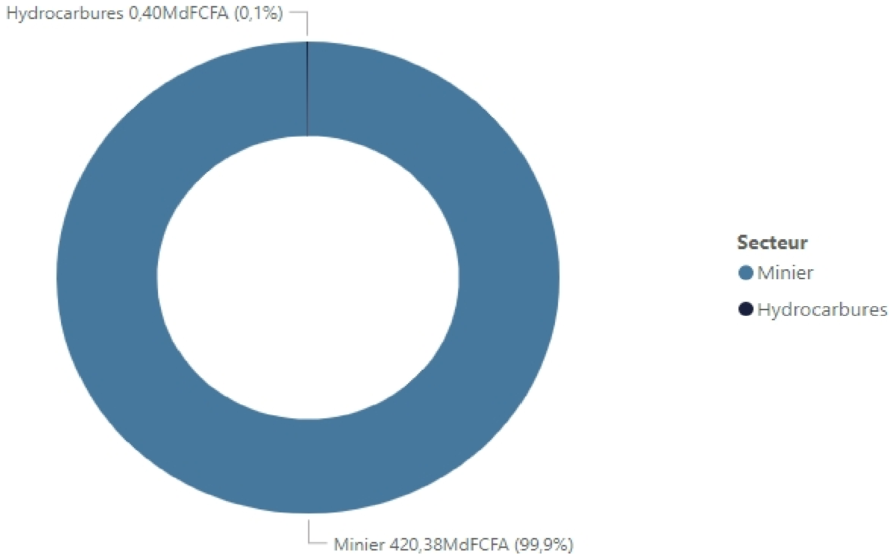
IX. SOCIAL AND ECONOMIC EXPENDITURE

Based on data reported by the financial authorities, revenues generated by the extractive sector totaled 421 billion CFA francs for 2019, of which 371 billion CFA francs came from extractive companies, representing 88.12%.

9.1. Distribution of extractive revenues by sector

Extractive revenues are broken down by sector as follows:

Figure 19: Contribution by sector to total revenues from the extractive sector (billions of CFA francs)

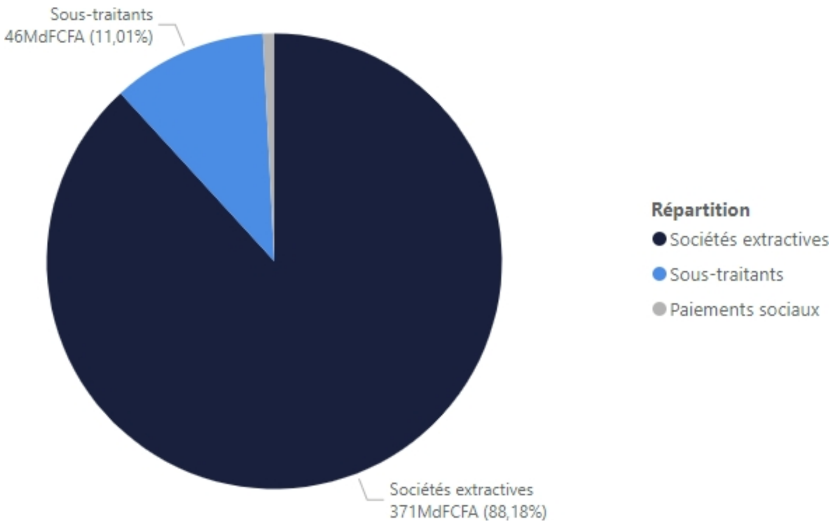


Sources: Reporting forms from collecting agencies

9.2. Breakdown of extractive revenues by category

Of the 421 billion CFA francs in revenues, 88.12% is generated by extractive companies, 11.08% by subcontractors, and less than 1% by social payments.

Figure 20: Distribution of extractive revenues by category (in billion CFA francs)



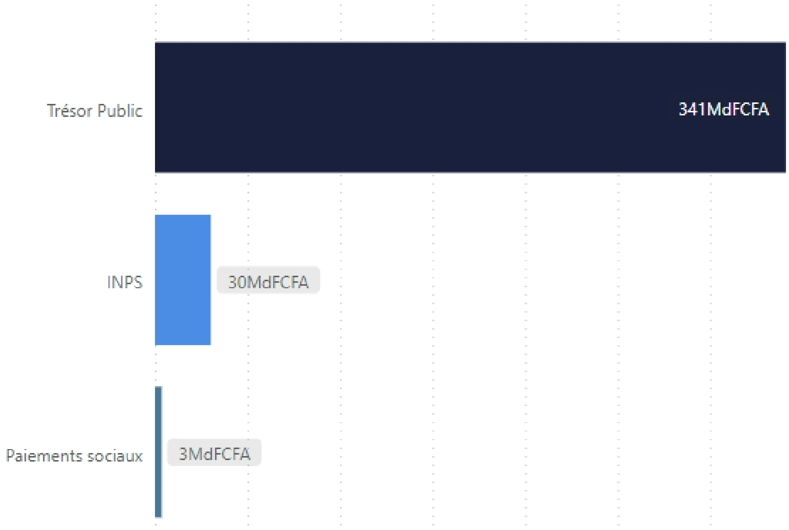
Sources: Reporting forms from collecting agencies

9.3. Distribution of revenues from the extractive sector (excluding subcontractors)

The contribution of extractive companies, excluding subcontractors, amounting to 374 billion CFA francs, is distributed as follows:

- 341 billion CFA francs representing revenues collected by the Public Treasury, or 92.6% of total revenues from the extractive sector;
- 30 billion CFA francs representing revenues received by the INPS, or 8% of total revenues from the extractive sector; and
- 3 billion CFA francs in social payments declared unilaterally by extractive companies, representing 0.8% of total revenues from the extractive sector.

Figure 21: Distribution of payments by extractive companies (in billion CFA francs)



Sources: Reporting forms from collecting agencies and extractive companies

Table 61: Distribution of extractive revenues (excluding subcontractors) (in billion CFA francs)

Trésor / INPS	Montant
Trésor Public	**340 932 817 455FCFA**
INPS	**30 125 374 588FCFA**
Cotisations sociales	23 707 895 748FCFA
Assurances Maladie Obligatoires (AMO)	6 417 478 840FCFA
Paiements sociaux	**3 408 558 487FCFA**
Paiements sociaux volontaires	3 404 358 487FCFA
Paiements sociaux obligatoires	4 200 000FCFA
Total	**374 466 750 530FCFA**

Sources: Declaration forms from collecting agencies and extractive companies

Revenues collected by the Public Treasury are allocated by destination as follows:

Table 62: Evolution of budget allocation by flow (in billions of CFA francs)

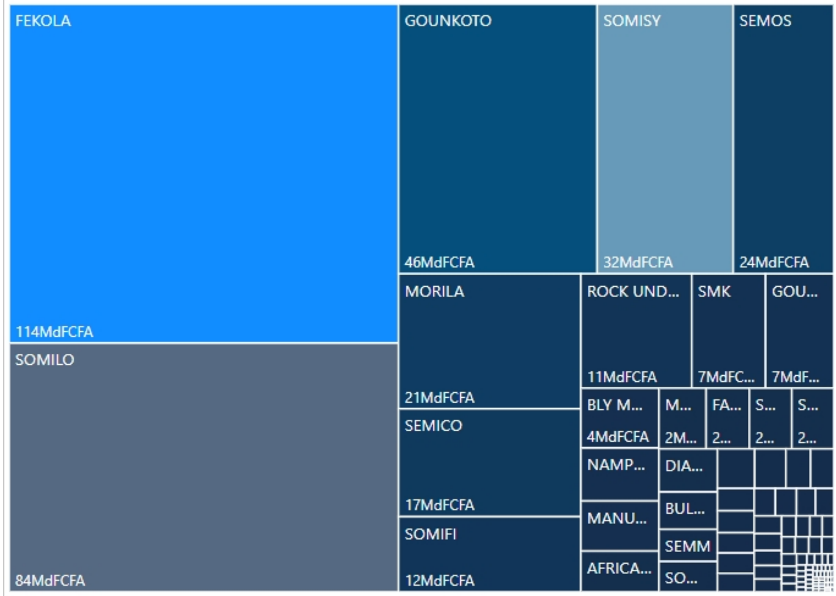
Budget allocation/Flow (in billion CFA francs)	2019	%	2	%	2	%
National budget	330.2	97	227.41	95	271.73	95
Local government budget - Business licenses	7	2	7.61	2	5.7	3
Customs Computerization Fund - RS	1.08	0	1.	1	2.6	1
West African Economic and Monetary Union (WAEMU) –PCS	0	0	1.28	1	2.31	1
National Youth Employment Fund (FNEJ) - TEJ	0	0	0	0	0	0
Vocational Training Support Fund (FAFP) – TFP	0	0	0	0	1.2	0
National Housing Fund (FNL) - TL	0.93	0	0	0	1.12	0
Economic Community of West African States (ECOWAS) - PC	0.54	0	0	0	1.2	0
Training fund - DNGM	-	-	0	0	0.27	0
Training fund - AUREP	0.18	0	0	0	0	-
Total revenue collected by the Public Treasury	**340.90**	**100**	**241.09**	**100**	**287.47**	**100**

Sources: Statistical Yearbook and Pyramis/Mazars Group

9.4. Breakdown of revenues by extractive company

Extractive revenues are broken down by company as follows:

Figure 22: Contribution by company to total revenues from the extractive sector (excluding social payments)



Sources: Reporting forms from revenue collection agencies

Table 63: Distribution of revenues of reporting companies (companies outside the reporting scope not included)

Extractive company	Amount	%
FEKOLA	112,480,894,861	30
SOMILO	83,837,989,380	22.7
GOUNKOTO	46,461,621,473	12.6
SOMISY	31,533,566,081	8.5
SEMOS	22,937,424,639	6.
MORILA	20,865,507,651	5.7
SEMICO	17,065,775,250	4.6
SOMIFI	11,832,067,180	3.2
SMK	7,311,894,674	2
NAMPALA	3,556,378,486	1

Extractive industry	Amount	
FABOULA	2,270,134,096	0
DIAMOND CEMENT	2,188,040,247	0
SEMM	1,632,802,015	0.4
SOMIKA	1,428,790,666	0.4
CMM	847,366,543	0.2
BARRICK	799,347,760	0.2
SOCARCO	426,337,918	0.1
PETROMA	402,952,406	0.1
YATELA	289,637,070	0
IAMGOLD	258,309,519	0.1
RAZEL	195,811,377	0
KOFI	177,434,713	0.1
TIMBUKTU	110,808,513	0
NEVSUN	100,626,951	0
MMR	45,444,461	0
Total	**369,056,963,930**	**100**

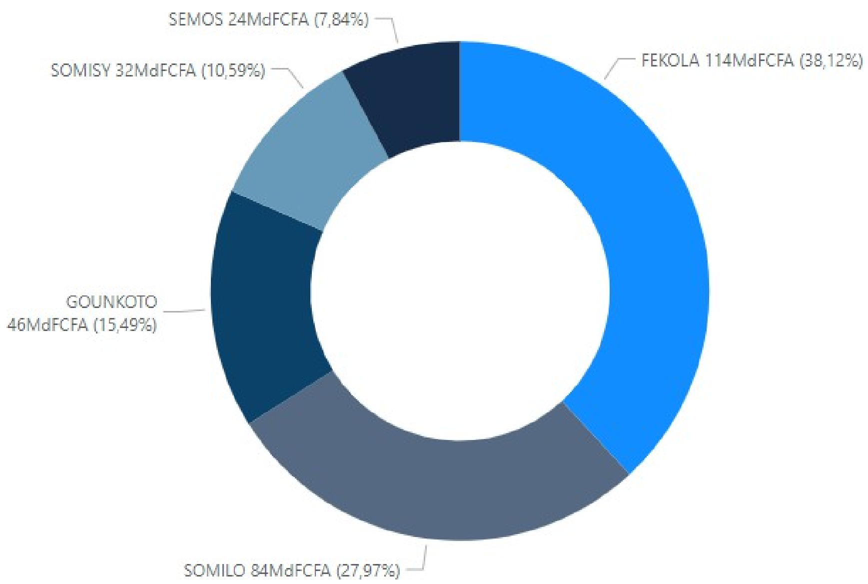
Sources: Reporting forms from collecting agencies

(details by company are presented in Appendix 10)

9.5. Top 5 extractive companies

The top 5 extractive companies by total revenue are as follows:

Figure 23: Top 5 extractive companies (in billions of CFA francs)

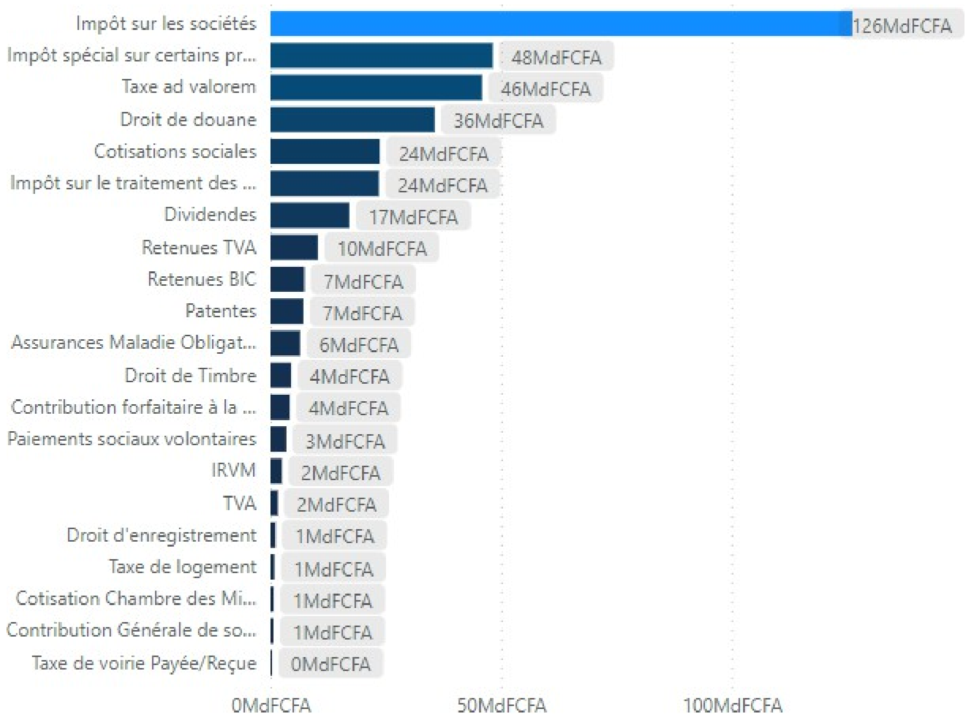


Sources: Extractive companies' reporting forms

9.6. Breakdown of revenues by flow

Revenues generated by the extractive sector are broken down by stream as follows (details by stream and by company are presented in Annex 10):

Figure 24: Contribution by flow to extractive sector revenues

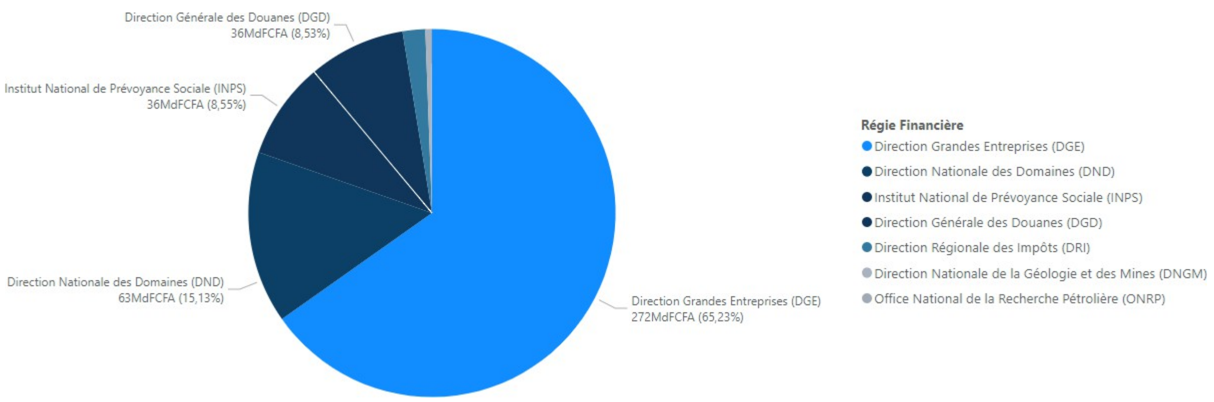


Sources: Reporting forms of revenue collection agencies

9.7. Distribution of sector revenues by revenue collection agencies

Revenues generated by the extractive sector are broken down by financial management as follows:

Figure 25: Budget revenues by financial management



Sources: Reporting forms of revenue collection agencies

Table 64: Budget revenues by revenue type

Régie Financière	Montant
Direction Grandes Entreprises (DGE)	272 240 380 309FCFA
Direction Nationale des Domaines (DND)	63 132 159 643FCFA
Institut National de Prévoyance Sociale (INPS)	35 680 898 163FCFA
Direction Générale des Douanes (DGD)	35 586 595 370FCFA
Direction Régionale des Impôts (DRI)	8 305 293 792FCFA
	3 408 558 487FCFA
Direction Nationale de la Géologie et des Mines (DNGM)	2 134 646 648FCFA
Office National de la Recherche Pétrolière (ONRP)	289 850 510FCFA
Total	**420 778 382 922FCFA**

Sources: Reporting forms from revenue collection agencies

9.8. Contribution to the state budget

The distribution of Mali's state revenues in 2019 according to the State Financial Operations Table (TOFE) is as follows:

Table 65: Sectoral contribution to the state budget

Indicateur	Montant	Pourcentage
Dons	**191,20**	**9,65 %**
Recettes budgétaires		
Recettes en capital	8,00	0,40 %
Recettes fiscales nettes	1 495,50	75,47 %
Recettes non fiscales	67,20	3,39 %
Recettes totales	**1 981,70**	**100,00 %**

Source: TOFE 2019

(*) Tax revenues from the extractive sector are not broken down in the government accounts.

According to EITI data, the extractive sector's contribution to total government revenue rose from 20.88% in 2018 to 21.09% in 2019, as shown in the table below:

Table 66: Contribution of the sector to state revenue (in billions of CFA francs)

Indicators	Source	2018	20
Total revenue	TOFE	1,476.40	1,981.70
Extractive sector revenues collected by the budget	EITI data	308	418
Extractive revenues (% of total government revenues)		20.8	21

Source: TOFE 2019

9.9. Contribution to gross domestic product (GDP)

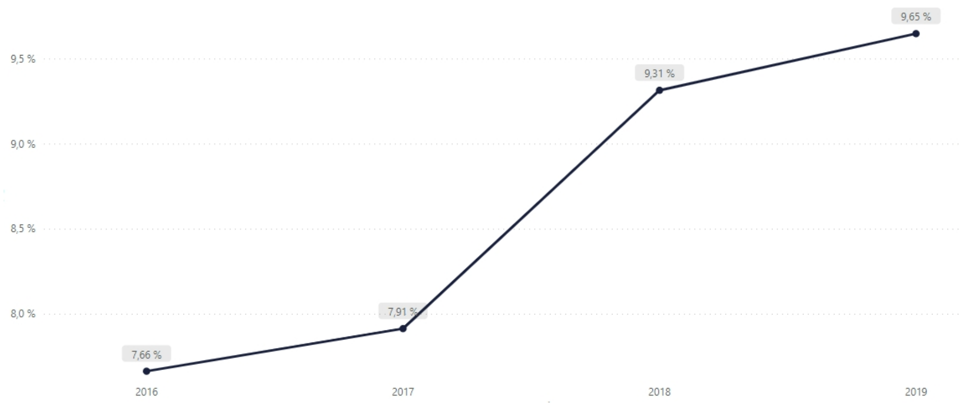
The contribution of budget revenues from the extractive sector to GDP is as follows:

Table 67: Share of the mining sector in GDP (in billions of CFA francs)

Labels	2016	2	2	2
Value added by extractive industries	63	706	883	977
GDP	8,312	8,922	9,482	10,124
Sector share (%)	**7.66**	**7.91**	**9.31**	**9.65**

Source: Statistical Yearbook, CPS for the mining sector

Figure 26: Evolution of the mining sector's share of GDP (%)



Source: Statistical Yearbook, CPS for the mining sector

9.10. Contribution to exports

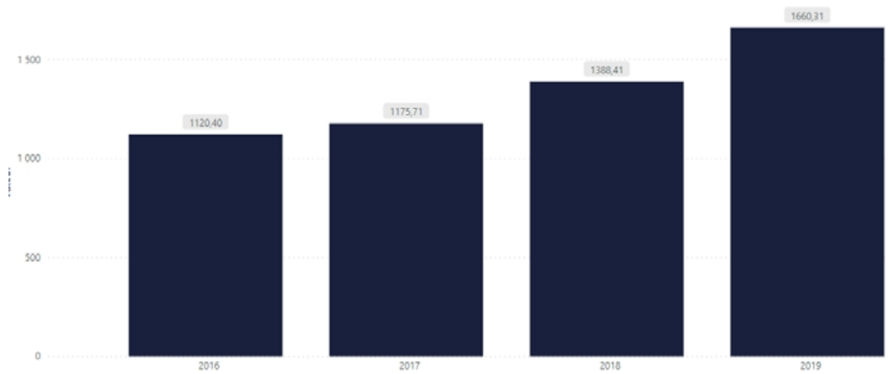
The contribution of extractive industries to Mali's exports in 2019 was 77.10%, compared with 69.72% in 2018, and is broken down as follows:

Table 68: Contribution of extractive industries to exports (in billions of CFA francs)

Libellés	2016	2017	2018	2019
Valeurs totales des exportations minières	1 120,40	1 175,71	1 388,41	1 660,31
Valeurs des exportations du Mali	1 675,90	1 685,90	1 991,40	2 153,40
Poids des exportations minières (%)	66,85	69,74	69,72	77,10

Source: Statistical Yearbook, CPS for the mining sector

Figure 27: Evolution of Mali's mining exports (in billions of CFA francs)



Source: Statistical Yearbook, CPS for the mining sector, Pyramis/Mazars Group

9.11. Contribution to employment

The mining sector in Mali contributes to the creation of direct and indirect jobs. Statistics on the contribution of the extractive sector to employment for 2019 are as follows: **Table 69: Contribution of the extractive sector to employment**

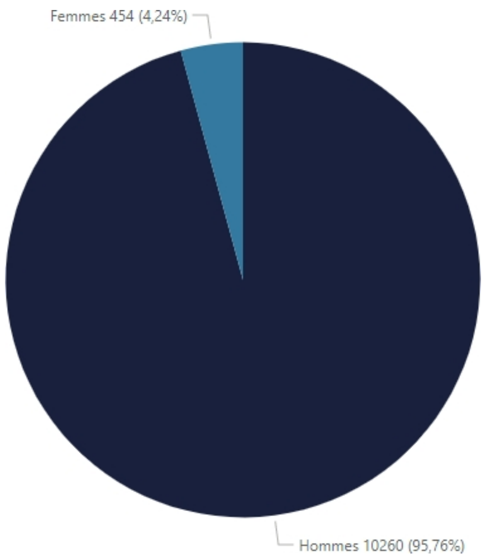
Branche d'activité principale	Homme	%	Femme	%	Total	%
Agriculture	2 463 848	67,1	1 766 962	66,4	4 230 811	66,8
Extractives	**75 416**	**2,1**	**30 326**	**1,1**	**105 742**	**1,7**
Activités de Fabrication	130 069	3,5	118 944	4,5	249 013	3,9
Production et Distribution D'électricité et de Gaz	4 287	0,1	818	0,0	5 105	0,1
Production et Distribution d'Eau, Assainissement, Traitement des Déchets et Dépollution	2 103	0,1	733	0,0	2 836	0,0
Construction	100 269	2,7	892	0,0	101 162	1,6
Commerce	381 143	10,4	417 240	15,7	798 383	12,6
Transports et Entreposage	94 766	2,6	476	0,0	95 243	1,5
Hébergement et Restauration	4 107	0,1	7 323	0,3	11 430	0,2
Information et Communication	7 153	0,2	3 115	0,1	10 269	0,2
Activités Financières et d'Assurance	4 874	0,1	1 934	0,1	6 808	0,1
Activités Immobilières	3 159	0,1	567	0,0	3 726	0,1
Activités Spécialisées, Scientifiques et Techniques	62 714	1,7	33 722	1,3	96 437	1,5
Activités de Services de Soutien et de Bureau	28 062	0,8	6 136	0,2	34 198	0,5
Activités d'Administration Publique	57 303	1,6	21 683	0,8	78 986	1,2
Enseignement	63 129	1,7	21 437	0,8	84 565	1,3
Activités pour la Santé Humaine et l'Action Sociale	10 959	0,3	12 773	0,5	23 732	0,4
Activités Artistiques, Sportives et Récréatives	6 754	0,2	7 238	0,3	13 992	0,2
Autres Activités de Services N.C.A.	52 390	1,4	26 711	1,0	79 101	1,2
Activités Spéciales des Ménages	116 704	3,2	183 460	6,9	300 164	4,7
Activités des Organisations Extraterritoriales	1 847	0,1	0	0,0	1 847	0,0
Total	3 671 059	100	2 662 492	100	6 333 551	100

Source: National Employment Observatory, Pyramis/Mazars group

9.12. Breakdown of jobs by company and gender

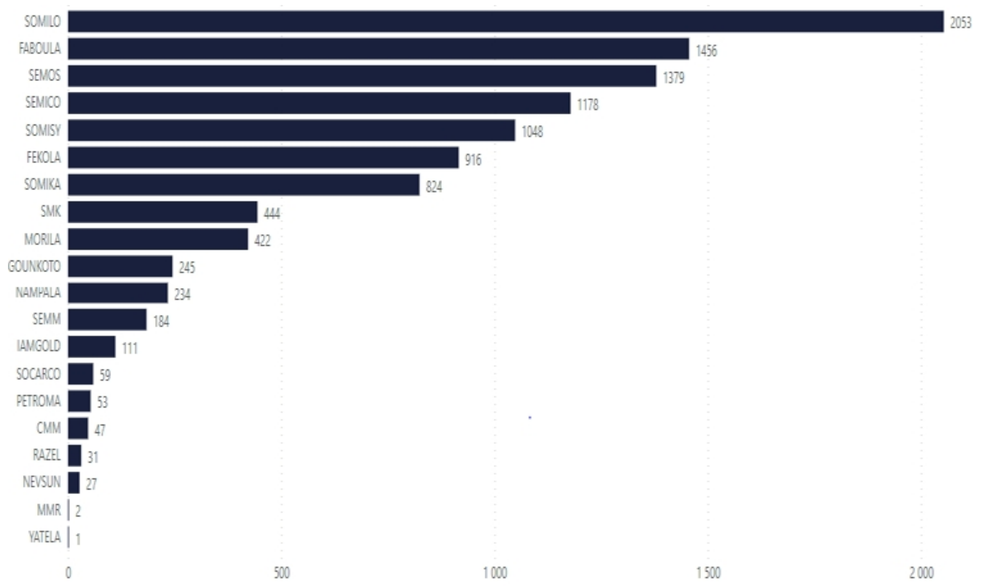
Based on employment data provided by extractive companies, we conducted the following analyses :

Figure 28: Breakdown of jobs by gender



Source: National Employment Observatory, Pyramis/Mazars group

Figure 29: Distribution of workforce by company



Société extractive	Effectif	%
SOMILO	2 053,00	19,16%
FABOULA	1 456,00	13,59%
SEMOS	1 379,00	12,87%
SEMICO	1 178,00	10,99%
SOMISY	1 048,00	9,78%
FEKOLA	916,00	8,55%
SOMIKA	824,00	7,69%
SMK	444,00	4,14%
MORILA	422,00	3,94%
GOUNKOTO	245,00	2,29%
NAMPALA	234,00	2,18%
SEMM	184,00	1,72%
IAMGOLD	111,00	1,04%
SOCARCO	59,00	0,55%
PETROMA	53,00	0,49%
CMM	47,00	0,44%
RAZEL	31,00	0,29%
NEVSUN	27,00	0,25%
MMR	2,00	0,02%
YATELA	1,00	0,01%
Total	**10 714,00**	**100,00%**

Source: Extractive companies' reporting forms

9.13. Social spending

Based on EITI declarations from extractive companies, social expenditure for 2019 amounted to 3.41 billion CFA francs. Details of this expenditure by company are presented in the following table :

Table 70: Breakdown of social spending by company (in billions of CFA francs)

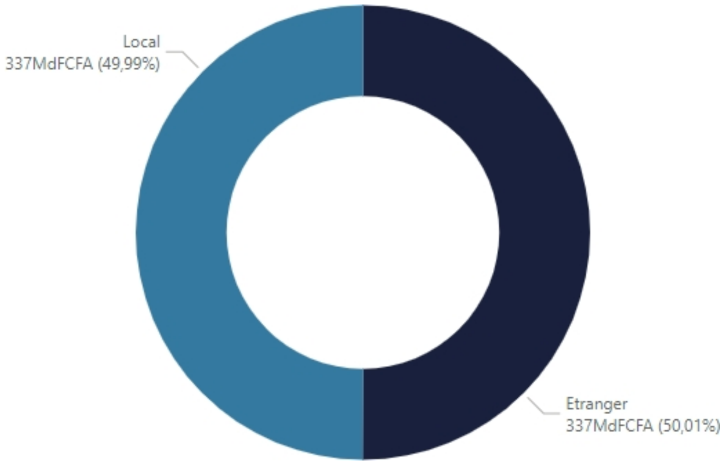
DÉSIGNATIONS	Paiements sociaux obligatoires	Paiements sociaux volontaires	
FEKOLA		1,88MdFCFA	**1,88MdFCFA**
IAMGOLD		0,00MdFCFA	**0,00MdFCFA**
MORILA		0,44MdFCFA	**0,44MdFCFA**
NAMPALA		0,03MdFCFA	**0,03MdFCFA**
RAZEL	0,00MdFCFA		**0,00MdFCFA**
SEMOS		0,58MdFCFA	**0,58MdFCFA**
SOMIFI		0,04MdFCFA	**0,04MdFCFA**
SOMIKA		0,11MdFCFA	**0,11MdFCFA**
SOMILO		0,08MdFCFA	**0,08MdFCFA**
SOMISY		0,23MdFCFA	**0,23MdFCFA**
YATELA		0,02MdFCFA	**0,02MdFCFA**
	0,00MdFCFA	**3,40MdFCFA**	**3,41MdFCFA**

Source: Extractive companies' reporting forms

9.14. Transactions with suppliers

Transactions with suppliers amounted to 375 billion CFA francs. By nationality, they are broken down as follows:

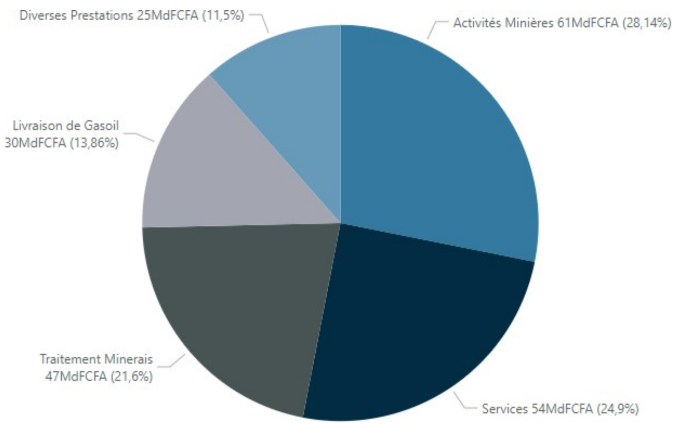
Figure 30: Breakdown of transactions with suppliers by nationality (in billions of CFA francs)



Source: Extractive companies' reporting forms

Transactions include various types of services, the five largest of which are as follows:

Figure 31: Top 5 types of services (in billions of CFA francs)

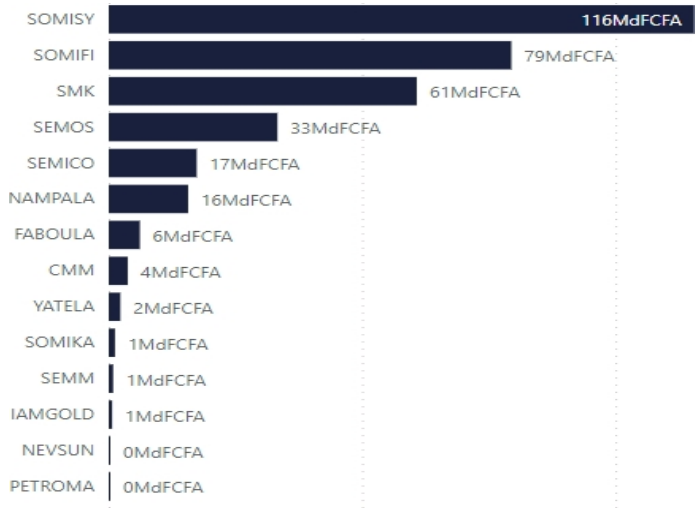


Source: Extractive industry company reporting forms

9.14.1. Local suppliers

Purchases from local suppliers as reported by extractive companies amounted to 337 billion CFA francs in 2019 and are broken down by company as follows:

Figure 32: Purchases by extractive companies from local suppliers in 2019



Société extractive	Montant des transactions
SOMISY	115 542 787 968FCFA
SOMIFI	79 449 629 966FCFA
SMK	60 786 844 806FCFA
SEMOS	33 279 726 624FCFA
SEMICO	17 351 482 330FCFA
NAMPALA	15 661 014 354FCFA
FABOULA	6 135 965 478FCFA
CMM	3 747 235 582FCFA
YATELA	2 285 563 770FCFA
SOMIKA	1 223 625 300FCFA
SEMM	858 021 098FCFA
IAMGOLD	655 981 282FCFA
NEVSUN	137 098 784FCFA
PETROMA	114 884 073FCFA
Total	**337 229 860 415FCFA**

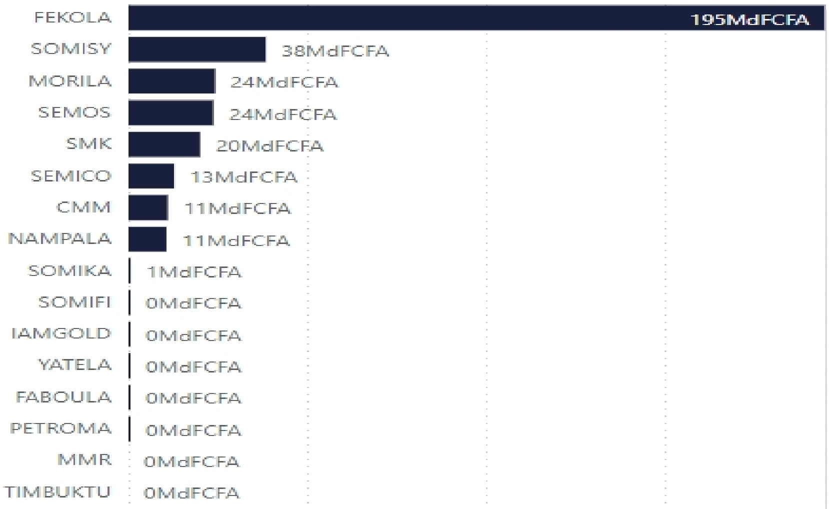
Source: Extractive companies' reporting forms

Details of transactions with local suppliers are presented in Appendix 11.

9.14.2. Foreign suppliers

Purchases from foreign suppliers as reported by extractive companies amounted to 337 billion CFA francs in 2019 and are broken down by company as follows:

Figure 33: Purchases by extractive companies from foreign suppliers in 2019 (in billion CFA francs)



Société extractive	Montant des transactions
FEKOLA	194 793 449 803FCFA
SOMISY	38 379 123 106FCFA
MORILA	24 254 526 120FCFA
SEMOS	23 757 281 180FCFA
SMK	20 077 894 334FCFA
SEMICO	12 808 724 514FCFA
CMM	10 977 213 898FCFA
NAMPALA	10 615 379 248FCFA
SOMIKA	580 280 718FCFA
SOMIFI	452 874 825FCFA
IAMGOLD	303 763 800FCFA
YATELA	190 141 774FCFA
FABOULA	180 640 903FCFA
PETROMA	44 331 542FCFA
MMR	0FCFA
TIMBUKTU	0FCFA
Total	**337 415 625 766FCFA**

Source: Extractive companies' reporting forms

Details of transactions with foreign suppliers are presented in Appendix 12.

9.15. Contributions from subcontractors

Contributions from subcontractors are described below.

9.15.1. Status of payments to subcontractors

Extractive revenues broken down by subcontractor are as follows (details by contract are presented in Appendices 13, 14, 15, 16, and 17):

Table 71: Contribution of subcontractors to overall revenues from the extractive sector

DESIGNATIONS	Amount	
ACSS	750,000 CFA	-
AECI MALI SARL	250,512,429 CFA	1
AFRICAN MINING SCES	2,759,850,135 CFA	6
AFRICAN MINING SUPPLY	160,902,015 CFA	0
AFRICAN UNDERGROUND MINING	105,504,171 CFA	0
AFRILOG - MALI	646,843,367 CFA	1
AFRIMETAL SARL	1,833,000 CFA	-
MALI MANAGEMENT AGENCY	209,650,733 CFA	0
AIR LIQUIDE	1,067,442,553 CFA	2
ALLTERAIN SERVICES MALI	698,907,058 CFA	2
AMCO DRILLING MALI	117,068,424 CFA	0
AMS African	15,696,649 CFA	0
AMS P/C	11,778,077 CFA	0
ANGLO GOLD	714,859,604 CFA	2
SHEET METAL WORKSHOP	645,763,582 CFA	1
B2GOLD MALI SARL	356,864,113 CFA	1
BAGAMA MINING	5,855,582 CFA	0
BCM MALI SA	7,250,901 CFA	0
BLY MALI	4,051,946,314 CFA	9
BME	3,577,536 CFA	0
BME MALI	15,084,374 CFA	0
BME Sa Diola	4,568,685 CFA	0
BULK MINING	1,888,207,429 CFA	4
BULL MALI	2,639,472 CFA	0
BYRNECUT	1,437,500 CFA	-
CAPITAL DRILLING	8,914,535 CFA	0
CAPITAL DRILLING MALI	451,528,267 CFA	1
DRILL CORP SAHARA MALI	21,989,440 CFA	0
EPIROC MALI SARL	592,932,807 CFA	1
ETS ADAMA SIDIBE	435,411,266 CFA	1
FLUICONNECTO	2,500,000 CFA	0
FLUICONNECTO MALI	506,200,930 CFA	1
FORACO SAHEL	75,398,301 CFA	0
FRASER ALEXANDER MALI	200,065,529 CFA	0
GMS SA	14,369,678 CFA	0
GOUNGOTO MINING	6,750,976,521 CFA	15
MALAGUENIAN AGRICULTURAL INDUSTRY	192,068,634 CFA	0
AFRICAN HANDLING	3,386,295,835 CFA	7
MAXAM MALI	2,484,040,324 CFA	5
MINING AND HANDLING	210,500 CFA	-
MMH MINING SARL	1,395,195 CFA	-

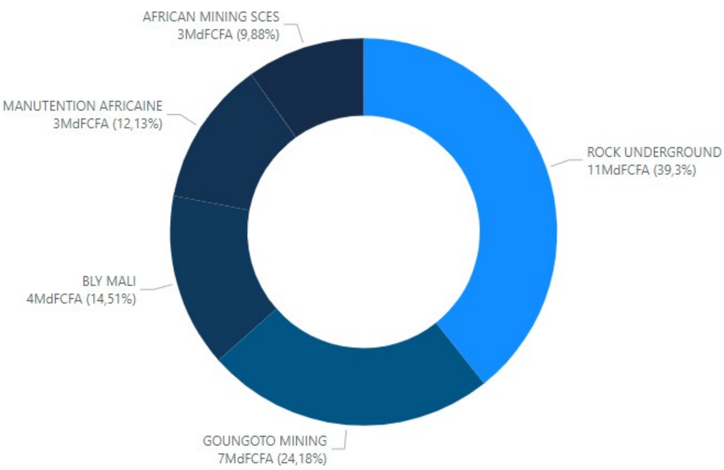
DESIGNATIONS	Amount	%
NEW GOLD	37,620,110 CFA	0
MANSA MOUSSA GOLD COINS	2,398,416 CFA	0
MACHINE POINT	12,206,077 CFA	0
ROCK UNDERGROUND	10,975,653,570 CFA	24
ROCK UNDERGROUND SARL SYAMA	1,250,000 CFA	-
SANDVIK MINING	2,232,265,153 CFA	5
SGS MALI	2,209,070,914 CFA	5
AFRICAN COMPANY OF RAVI	28,871,205 CFA	0
SIPEX MALI BRANC SARL	1,517,718 CFA	-
SKY GOLD MALI	46,515,000 CFA	0
Mali Chemical Production Company	2,772,860 CFA	0
DRILLING AND WORKING COMPANY	1,283,349,199 CFA	3
GENERAL TRANSIT COMPANY	500,929,938 CFA	1
STE GENERALE DE TRANSIT (SOGETRA)	42,783,863 CFA	0
TAURUS GOLD MINING	181,770	-
WASSA MINING	24,354,612 CFA	0
Z FOR MINING	40,800,522 CFA	0
Total	**46,311,632,392 CFA**	**100**

Source: Reporting forms from collecting agencies

9.15.2 Top 5 subcontractors

The top 5 subcontractors by total revenue are as follows:

Figure 34: Top 5 subcontractors (in billions of CFA francs)



Source: Reporting forms from collecting agencies

9.15.3. Contribution of subcontractors to tax revenues

The table below shows the tax contribution of the main subcontracting companies, broken down into subsidiaries or representatives of multinational companies and local companies.

Table 72: Contribution of subcontractors to tax revenue

No	NIF	Taxpayers	Total taxes paid to the DGE (A)	Total business conducted with Mines (B)	Tax ratio Business conducted C= A/B
I.	Subsidiary or representative office of a multinational company				
1	085102342X	AFRILOG - MALI	646 843 367	**14,850,313,023**	4
2	087800626B	SANDVIK MINING	1,601,291,556	**20,752,720,084**	8
3	084126000X	CAPITAL DRILLING MALI	451,528,267	**5,072,659,805**	9
4	087800064P	AFRICAN HANDLING	2,125,521,872	**20,727,314,934**	10
5	087800645J	AFRICAN MINING SCES	2,759,850,135	**26,393,030,093**	10
6	087800280H	ANGLO GOLD	139,466,638	**1,134,926,219**	12
7	087800730C	GOUNGOTO MINING	4,973,779,720	**32,474,491,489**	15
8	087800523T	BULK MINING	1,312,814,463	**8,186,382,420**	16
9	082238470W	B2GOLD MALI SARL	356,864,113	**2,192,113,892**	16
10	08229843Y	BLY MALI	4,048,516,609	**22,390,151,854**	18
11	087800796E	FRASER ALEXANDER MALI	200,065,529	**933,766,345**	21
12	086102291F	BOILERMAKING WORKSHOP	645,763,582	**2,788,831,562**	23
13	082211539B	MAXAM MALI	2,102,556,974	**7,890,387,214**	27
14	011000449G	SGS MALI	1,985,606,379	**7,422,741,524**	27
1	087800215V	AIR LIQUIDE	1,067,442,553	**3,957,087,713**	27
16	083317915A	AMCO DRILLING MALI	117,068,424	**394,456,092**	30
17	084125386M	ROCK UNDERGROUND	10,975,653,570	**35,744,682,686**	31
18	082103226J	FLUICONNECTO MALI	506,200,930	**1,184,357,573**	43
1	087800524V	ALLTERAIN SERVICES MALI	698,907,058	**1,145,948,797**	61
		Subtotal	**36,715,741,739**	**215,636,363,319**	**17**
II.	Local companies				
1	082240611K	Z FOR MINING	40,800,522	**8,550,847,654**	0
2	084109806V	DRILL CORP SAHARA MALI	21,989,440	**4,161,444,091**	1
3	085117982H	POINT MACHINE	12,206,077	**1,075,328,608**	1
4	011001444R	AFRICAN COMPANY OF RAVI	28,871,205	**1,208,510,371**	2
5	084102014J	ETS ADAMA SIDIBE	435,411,266	**8,186,693,391**	5
6	087800879C	WASSA MINING	24,354,612	**451,252,213**	5
7	082201166F	STE GENERALE DE TRANSIT	500,929,938	**4,706,727,865**	11
8	011001501T	DRILLING AND WORKING COMPANY	1,283,349,199	**6,711,974,335**	19
		Subtotal 2	**2,347,912,259**	**35,052,778,527**	**7**
		Grand total	**39,063,653,998**	**250,689,141,847**	**16**

Sources: DGE declaration / Declarations by extractive companies

During our work, we identified significant issues that should be brought to the attention of the EITI Mali Steering Committee in order to improve the EITI process in Mali and enhance transparency in the governance of the extractive sectors in Mali.

We have also monitored the implementation of the recommendations made by , the independent administrator in relation to the EITI Mali Steering Committee.

10. Findings and recommendations for 2019

The main findings and recommendations for 2019 are as follows:

10.1 Failure to register certain mining subcontractors with the DGE

During our work, we found that some subcontractors who carried out transactions worth FCFA 72,507,718,898 with extractive companies in the reconciliation perimeter during 2019 were not subject to unilateral tax declarations by the DGE. These subcontractors are registered with other tax administration bodies (tax center and DME) instead of the DGE, contrary to the provisions of Decree No. 2019-0981/P-RM of December 19, 2019, establishing the organization and operating procedures of the Large Enterprises Directorate.

According to this decree, "the Large Enterprises Directorate is attached to the General Tax Directorate (DGI) and is responsible for managing, assessing, collecting, and recovering all taxes, duties and internal taxes owed by companies with a turnover greater than or equal to one billion francs and all companies, regardless of their turnover, whose main activity is linked to a sector strategic to the national economy, companies linked to each other by a percentage of shareholding determined by decision of the Director General of Taxes, and to handle first-level tax disputes relating thereto."

The tax domicile of all mining and oil subcontractors with the DGE will improve the quality of data covered by EITI reports and enhance transparency in the governance of the sector.

For these reasons, we recommend, in accordance with the above-mentioned decree, that all subcontractors' files be transferred to the DGE for proper management, as mining is a strategic sector.

Details of the companies concerned are set out in Annex 18.

10.2 Discrepancies in the quantities of refined gold

During our reconciliation of exports sold as reported by the DGE with those reported by the extractive entities, significant discrepancies emerged in the quantities and purity rates of refined gold (rough gold/net gold).

In addition, we requested the DNGM to provide us with the raw gold refining certificates of the companies in the exploitation phase in order to ensure the consistency of the information on gold sales. We were unable to obtain these certificates.

This situation does not comply with the provisions of Article 7.5 of the 1991 Mining Code, Article 20 of the 2012 Mining Code, Article 19 of the 1999 Mining Code, and Article 26 of the 2019 Mining Code, which stipulate that "… sample analyses must be carried out in Mali. However, the holder of a mining title may, upon justification, carry out sample analyses outside Mali with the authorization of the Director of Mines. The results of these analyses shall be communicated to the mining administration. The value of the finished product extracted from large-volume samples intended for metallurgical and processing tests shall be subject to the Special Tax on Certain Products if it is used for any purpose other than research expenses...". The table below summarizes the discrepancies.

Table 73: Situation of discrepancies in refined gold quantities

	DGE			COMPANIES				DIFFERENCE	
COMPANIES	Quantity (in kilograms) of raw gold exported declared to the tax authorities	Quantity (in kilograms) of refined gold B	Estimated purity	Gross quantity shipped	Net quantity in KG Shipped	Net quantity in ounces shipped	Estimated purity rate	Purity rate	Quantity in kg
FABOULA	258	2	78	258	219	7,047	85	-7	-17
FEKOLA	14,234	14,234	100	14,914	13,977	449,357	94	6	257
LOULOU/ GOUKOTO	22,063	22,355	101	23,937	22,360	-	93	8	-
SOMISY/SYAM A	2,328	2,016	87	2,211	1,988	63,924	90	-3	10
SEMICO	3,405	2,716	80	2,322		-	0	80	2,716
SMK/KOMANA	3,559	3,559	100	3,290	3,505	-	107	-	54
YATELA	132	125	95	132	120	-	91	4	5

Source: Declaration by extractive companies and the DGE

We recommend that the DNGM collect refining certificates from mining companies and verify the quantities and purity levels reported by exporting companies in accordance with legal provisions.

10.2.3 Inconsistencies in the estimated gold prices of an extractive company

We found discrepancies of FCFA 4,966,166 between the estimated export prices per kilogram of gold declared by NAMPALA SA (FCFA 17,597,105) and the average export prices declared by other companies in the reconciliation perimeter excluding SOMILO-GOUNKOTO of FCFA 22,563,272. This trend is confirmed by the export sales declarations of the DGE and those of NAMPALA.

This situation leads to significant discrepancies between the revenue declarations of the State collection agencies (DGE, DND, and DGD) and those of the extractive entities. It may also result in revenue shortfalls for the State (ad valorem tax, IS, and ISCP).

We recommend that the DGD and DND ensure that the estimated prices declared by extractive entities are consistent with those observed on international markets. Any significant discrepancies must be justified.

10.2.1 Failure to disaggregate gold production from the Loulo Gounkoto complex by project

Following the Steering Committee's note defining project-based reporting, we found that the Loulo-Gounkoto complex does not report its gold production on a project basis. Loulo and Gounkoto are two separate projects majority-owned by Barrick Gold, which report revenues on a project basis but make a combined production report.

This aggregated production quantity report does not comply with requirements 3.1 and 4.7 of the EITI standard.

We recommend that stakeholders, in particular the Steering Committee, the Ministry of Mines and Barrick Gold, take the necessary steps to ensure that Loulo and Gounkoto report their gold production quantities on a project-by- .

10.2.2 Non-publication of certain essential information on the MCAS online repository

During our data collection and processing, we noted the absence of information such as the quantity of minerals produced and sold, mining titles transferred, establishment agreements, mineral reserves, and granting procedures (non-exhaustive list) on the MCAS online mining registry.

In order to promote transparency and good governance in the extractive sector in Mali and to comply with EITI guidelines on the systematic integration and disclosure of EITI data, we recommend that the DNGM publish the above-mentioned information on the MCAS online repository.

Follow-up on previous independent administrators' recommendations

The table below summarizes the implementation of previous recommendations made by the independent directors. The status of implementation of the recommendations is based on the findings of our work and the follow-up report produced by the steering committee. The table below summarizes the status of implementation of previous recommendations:

Table 74: Summary of the implementation of previous recommendations

Row labels	Number of Status	Percentage
Implemented	7	30.43
Not executed	7	30.43
Partially implemented	8	34.78
Not applicable	1	4.35
Total	**2**	**100**

Source: Pyramis Group / Mazars

The table below summarizes the follow-up to previous recommendations.

Table 75: Table showing follow-up on previous recommendations

Periods	Recommendations	Implementation (Implemented/ Partially implemented/ Not implemented	CP-ITIE comment
2017	**Establishment of an open data policy as part of EITI implementation in Mali** Requirement 4.9.c of the 2016 EITI Standard on systematic disclosure of EITI data states that "the Multi-Stakeholder Group may request the Board's approval to integrate EITI implementation in accordance with the agreed procedure for integrated disclosures." Furthermore, the data to be published under the standard covers a wide range of information such as revenues collected by fiscal authorities, subnational transfers, production data, exports and the register of active licenses, where it is established that: there is systematic disclosure of the data required by the EITI standard with the required level of detail; and	Partially implemented	A consultant has been recruited by the EITI Steering Committee, with funding from the Mining Sector Governance Project (MSGP), to carry out a technical feasibility study and implement the integration of EITI data into a digital platform in 2022. This study is currently underway.

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed)	EITI CP Comment
	Financial data should be subject to a credible and independent audit in accordance with international standards. In accordance with the terms of reference, we conducted an assessment of data availability in relation to the above requirement. The main recommendations resulting from this assessment focus on the following shortcomings: the absence of a publicly available online register of the ultimate owners of companies that bid for, operate, or invest in extractive assets, including the identity of their ultimate owner(s), their degree of ownership, and the terms of their ownership or control of such companies; details of the state's participation in extractive companies are not available online; the lack of an online overview of significant prospecting activities for minerals in Mali; the breakdown of extractive sector production by region is not published; tax data broken down by company is not published in government reports; the amounts of subnational payments are not available online; extractive revenues allocated to Malian government revenues are not disclosed in the 2017 state budget; details of social spending by extractive companies are not published; and The data collected from financial authorities for the 2017 EITI report was not systematically subject to independent audit.		

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed)	EITI PC comment
	We recommend that the CP-ITIE take appropriate measures to address these shortcomings in order to improve transparency and comply with EITI requirements. This can be achieved by: establishing an open data platform for the EITI with a direct interface to the financial management information systems; upgrading the mining registry management information system to enable the disclosure of relevant information on shareholders and ultimate owners of extractive companies; upgrading the information systems of financial authorities involved in the EITI process to enable the systematic publication of data to be published in the EITI report; and Capacity building and awareness raising among civil servants on transparency and open data disclosure.		
2017	**Financial data disclosure by project** According to Requirement 4.7, "a project-level disclosure is required, provided that it complies with the recognized standards of the US Securities and Exchange Commission (SEC) and future requirements of the European Union." For the preparation of this report, and as it was only encouraged, project-level reporting was not required by the Steering Committee for the 2017 reporting period. The EITI Steering Committee in Mali is therefore required to ensure that future EITI reports comply with Requirement 4.7 on project-based reporting. We recommend that the Steering Committee take the necessary steps necessary to introduce the concept of "project-based reporting" in future EITI reports and to draw inspiration from Guidance Note No. 29 of the	Completed	The Steering Committee has published a note on the concept of project-based financial reporting. The note contains the following elements: - the definition of a project; - the identification of revenue streams to be reported by project; - identification of reporting entities. The data collection form took into account the reporting of payments by project. Twelve of the 20 extractive entities that completed the questionnaire reported payments by project.

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed)	Comment CP-ITIE
	EITI International Secretariat disseminated. According to this note, the main steps to be followed are as follows: - agree on a definition of the term "project" in the Malian context; - identify the revenue streams to be reported by project; - identify the entities required to submit a declaration per project; and - provide a reporting form for this purpose. The Steering Committee could also launch a study on the feasibility and modalities of integrating project-based reporting in the Malian context.		
2017	**Monitoring of gaps in exports and production:** Take appropriate measures to invite the various stakeholders to analyze the source of the discrepancies, provide adequate explanations, and take the necessary actions to remedy the situation.	Not implemented	There are still significant discrepancies between export and production declarations.
2017	**Efficiency of the licensing and transfer system** Explicitly define more rigorous technical and financial criteria in the regulations; Provide for an analytical evaluation method based on the weighting of technical and financial criteria; and Support favorable decisions on the granting or transfer of licenses with evaluation and monitoring reports on technical and financial criteria justifying such decisions.	Not implemented	The criteria defined in the 2019 and 2019 mining codes did not provide for the weighting of criteria. Our tests also revealed shortcomings in the procedures.
2017	**Improve the reliability of data relating to the mining register** A review of the 2017 mining register published by the DNGM shows that there were 229 active permits and authorizations as of December 31, 2017. However, a comparison of the status of valid permits reported in the annual report of	Partially implemented	The steering committee organized a working session between the DNGM and the CPS to avoid discrepancies in the data collected. Clarification work must continue. There are still discrepancies between the different data sets.

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed	CP-ITIE comment
	The CPS with data from the mining register reveals the following differences:		

[illegible] Exploration	-	51	(51)
Authorization for Small-Scale Mining	30	38	(8)
Mines & Dredges Authorization for Quarries	53	58	(5)
Authorization Prospecting	7	11	(4)
Operating Permit	20	20	-
Total	299	595	(296)

(*) The CPS annual report refers to data collected from the DNGM.

We also compared the status of titles granted in 2017, as reconstructed from the mining register, with [illegible] in 2017. This comparison revealed the following differences:

Mining titles	Register mining2017	Data Steering Steering	Difference ennumber
Permits Search	66	61	5

<table>
<tr><th>Periods</th><th>Recommendations</th><th>Implementation (Implemented/ Partially implemented/ Not implemented</th><th>CP-ITIE comment</th></tr>
<tr><td></td><td>
<table>
<tr><td>Authorization
for Quarry Operations</td><td>8</td><td>8</td><td>-</td></tr>
<tr><td>Authorization
Small Mine Operating Permit</td><td>4</td><td>3</td><td>1</td></tr>
<tr><td>Authorization for Prospecting</td><td>-</td><td>183</td><td>(183)</td></tr>
<tr><td>Total</td><td>78</td><td>255</td><td>(177)</td></tr>
</table>
This situation is due to theto compromiseto disclose the statu exhaustive list of
nature of the data on themining ancof titles in relation toactive assets as of 12/31/2017
granting of titles and indicatesmajor incidentsthe NGM procedure collection date and
shortcomings in the monitoringby level of theand other official structures involved
of mining titles in the publicatioD with the Datstatistics .
process. Management
Committee age, for NGI subsequent reports,
We recommend that the C procedures and CPS for the verification of
schedule working sessions to Steering use the informatiomining and to verify the
ensure the completeness and Committee n the register taccuracy and relevance
reliability of the analysis of any with the D orensure ITIE
discrepancies in the data data compliance.
disclosed in inconsistencie
s
the reports
</td><td></td><td></td></tr>
<tr><td>2017</td><td>
Strengthening stakeholder involvement in the implementation of the EITI process

The deadline for submitting 2017 disclosure forms has been set by the EITI Steering Committee for May 15, 2020. However, nine (9) companies out of twenty-five (24) selected for reconciliation and having submitted their disclosure forms did not meet the deadline for submission, while one (1) entity out of twenty-five (25) selected for reconciliation did not submit its disclosure form. Details are presented as follows:
<table>
<tr><th>Sector</th><th>Companies selected</th><th>FD submitted in submitted</th><th>Late of</th><th>FD not</th></tr>
</table>
</td><td>Partially executed</td><td>The steering committee organized meetings with reporting entities on their involvement in data collection, and a workshop on completing the reporting form was organized for entities selected for inclusion in the 2019 EITI report. However, there were significant delays in collecting data from extractive entities and some collecting agencies.

As of the date of this report, four extractive entities have not completed the reporting form.</td></tr>
</table>

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed)	CP-ITIE comment
	(see below)		

	within the scope	meeting the deadline	Submission of FD	
Mining	24	15	8	1
Hydrocarbures	1	-	1	-
Total	25	15	9	1
%	100	60	36	4

In addition, five (5) financial institutions out of nine (9) and eight (8) extractive companies out of twenty-four (24) selected within the reporting scope and having submitted their reporting forms did not comply with the reporting form template adopted by the Steering Committee for the EITI reporting process. This caused difficulties in processing the information contained in the reports. The details of these entities are as follows:

Financial authorities		Reporting companies	
1	National Social Security Institute (INPS)	1	MORILA
		2	SEMICO
2	Authority for the Promotion of Oil Research (AUREP)	3	SEMOS
		4	SOMIKA
3	National Directorate of Domains and Cadastre (DNDC)	5	WASSOULOU
		6	YATELA

Periods	Recommendations	Implementation (Implemented/ Partially implemented/ Not implemented	CP-ITIE comment
	4 National Directorate of Geology and Mines (DNGM) 5 General Customs Directorate (DGD) 7 EMM 8 MMR We observed a reluctance and lack of involvement on the part of reporting entities in addressing discrepancies identified during the reconciliation process. All requests sent to financial authorities seeking to justify reconciliation discrepancies remain unanswered. In addition, some companies did not demonstrate sufficient commitment to addressing and justifying residual discrepancies identified during the reconciliation process. in most cases, responses to our requests were late, ambiguous, and unsupported by supporting documentation. This resulted in an unresolved residual discrepancy of 28,194,828,708 CFA francs, which is detailed in Section 5.2 of this report. In light of the above-mentioned challenges, we recommend that the EITI Mali Steering Committee put in place an effective strategy for monitoring and managing the EITI process through the adoption of a policy of ongoing communication, stakeholder awareness-raising, and coordination between the independent administrator and the various reporting entities.		
2017	**Maintenance and updating of an adequate stakeholder database** During the initiation phase of the reconciliation process, we found that the database of extractive company contacts held by the unit responsible for EITI data collection is not up to date and contains some errors. This situation has led to difficulties and delays in the transmission of reporting forms to several companies and public administrations included in the reporting process.	Completed	A list containing the contact details of the focal points of the reporting entities was made available to the independent administrator.

Periods	Recommendations	Implementation (Implemented/Partially implemented/Not implemented	Comment CP-ITIE
	We recommend that the EITI Mali Permanent Secretariat regularly update the database of extractive companies and financial authorities. This can be done by: maintaining regular contact with stakeholders to ensure that contact details (i.e., names of focal points, email addresses, telephone numbers, etc.) are kept up to date; requiring mining title holders to file a declaration of existence containing information on their senior management, contact details, and location; creating an online interface accessible to various stakeholders for collecting and updating their contact details and relevant information on their activities.		
2016	**Transparency and disclosure of information in the artisanal mining sector** EITI Requirement 6.3 states that EITI reports must include an "estimate of informal sector activity, including but not necessarily limited to artisanal and small-scale mining" in the information on the contribution of extractive industries to the economy for the fiscal year covered. Although artisanal mining by artisanal and small-scale miners plays a significant role in national mining production, previous EITI reports on Mali have focused solely on large-scale mining operations. The extension of the EITI scope to the artisanal sector is part of efforts to promote transparency and information disclosure and improve good governance in this sector. However, collecting data on this activity is not an easy task, hence the need to conduct a scoping study covering the following aspects in particular:	Not implemented	The study has not been carried out.

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed)	CP-ITIE comment
	Identify the main actors in the mining sector (public entities, tax collection agencies, artisans, intermediaries, trading posts, and others); Mapping artisanal mining sites; Identifying revenue flows from artisanal activities Following this scoping study, the Steering Committee will decide on the option to be adopted for reporting data for this sector in future EITI reports. In this regard, the Steering Committee may refer to the proposals set out in guidance 15 noteon coverage of the artisanal and small-scale mining sector under the EITI.		
2016	**Review of mining title applications** Following a review of the "guide to work organization procedures at the Studies and Legislation Division," and as part of the monitoring of mining title granting procedures, we understand that a commission composed of one representative from each division of the DNGM meets to review each permit application and issues an opinion on the application, which is then forwarded to the Ministry of Mines for approval of the permit or authorization. However, no official document or internal memo defining the composition of this commission, the frequency of its meetings, or the scope of its work has been communicated to us. The guide provided by the DNGM states that applications for mining titles must be accompanied by, among other things, proof of technical and financial capacity. In this regard, it should be noted that during our meeting with the Minister of Mines, we learned that clarification of the technical and financial criteria was considered one of the priorities to be addressed in the review of the Mining Code.	Not implemented	We are not aware of any written procedure on the conditions for the review committees for the allocation of mining titles.

<table>
<tr><th>Periods</th><th>Recommendations</th><th>Implementation (Implemented/Partially implemented/Not implemented</th><th>CP-ITIE comment</th></tr>
<tr><td></td><td>The DNGM is required to establish a clear written procedure defining the conditions for meetings of the commission that reviews applications for mining permits, small-scale mining authorizations, and quarrying authorizations, as well as the members of this commission, the scope of its work, and the frequency of its meetings. and define precise criteria on which the technical and financial capacities presented by companies seeking to obtain a mining title can be verified.</td><td></td><td></td></tr>
<tr><td>2016</td><td>Monitoring the status of feasibility studies and environmental impact studies

As part of the analysis of the status of implementation of feasibility studies and environmental impact studies by mining companies, we conducted interviews with the head of the Mining Division and the head of the Classified Facilities and Mining Environment Division within the DNGM.

We understand that the DNGM periodically visits and inspects mining companies to ensure that feasibility studies and environmental impact studies are being implemented. However, we noted the absence of:

- an inspection visit planning program;
- reports and minutes of visits carried out and conclusions drawn.

We recommend that the DNGM:

- define the actions to be taken to monitor the implementation of feasibility studies and environmental impact studies by mining companies;
- determine the services and agents authorized to carry out this monitoring and the nature of the report to be submitted;
- provide the necessary resources for these tasks by allocating the necessary budget.</td><td>No</td><td>We have not received any documents relating to the implementation of this recommendation.</td></tr>
</table>

Periods	Recommendations	Implementation (Completed/ Partially completed/ Not completed	CP-ITIE comment
2016	**Traceability of subnational transfers of patents** In the context of reconciling license transfers between the regional treasuries of Sikasso and Kayes and the local authorities benefiting from these transfers, we identified the following shortcomings: Reconciliation of transfers declared by the Sikasso DRI with the amounts transferred by the TR revealed discrepancies. Furthermore, the TR in Sikasso stated that it had not made any transfers on behalf of SOMIKA, whereas the DRI reported a transfer amount of 47,696,860 CFA francs, as explained in Table 31 in Section 4.2.13. The transfers received by the regional council, district councils, and rural municipalities in the Kayes region are not broken down by company, which makes it impossible to reconcile the subnational transfers of the business license by company. The reconciliation of patent transfers between regional treasuries and local authorities revealed unexplained discrepancies for the two regions of Sikasso and Kayes. These discrepancies are presented in Section 5.3 of this report. However, it was difficult to communicate remotely with local authorities, which were not represented during the scoping phase, prompting us to travel to the site to collect information. The Steering Committee must engage the relevant structures to justify: the discrepancies between the business licenses collected by the DRIs and those transferred by the regional treasuries to the local authorities; and the differences between the licenses transferred by the regional treasuries and those collected by local authorities. In addition, the regional treasury in Kayes must provide the local authorities benefiting from the licenses with details of the amounts transferred per company, which	Executed	A study on the traceability of mining revenues at the community level was validated and published by the Steering Committee. This study explained the discrepancies between regional treasuries and beneficiary communities. It also highlighted the use made of subnational transfers by these beneficiary communities.

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed)	Comment CP-ITIE
	will make it possible to trace the share of the patent revenue due to local communities from each company. In order to facilitate data collection on subnational transfers of the royalty in future reporting periods, the Steering Committee should take the necessary measures to ensure that local reporting entities are integrated into the EITI process from the scoping phase. These entities should be represented at workshops on EITI scope validation and training on completing the reporting form.		
2016	Implementation of activities planned in the roadmap for disclosure of beneficial ownership In accordance with the provisions of the 2016 EITI Standard, Mali has published a roadmap for disclosure of beneficial ownership. The roadmap lists the activities/actions to be implemented for the specific objectives targeted during the period from January 2017 to December 2019. We have provided an update on the implementation of these activities/actions in Section 4.5.4 of this report. This update shows that some activities/actions have not yet been completed, even though the implementation date has passed. The Steering Committee is called upon to ensure that the activities set out in the roadmap for the disclosure of beneficial ownership are completed within the initial timeframe so that Mali is in compliance with the EITI requirement by January 1, 2020.	Partially implemented	However, the study on legal and regulatory obstacles that may hinder the disclosure of the beneficial ownership of extractive companies was approved by the CP at an extraordinary session on March 29, 2019. The decree establishing the organization of the register for the disclosure of the beneficial owners of extractive companies in Mali was approved by the Council of Ministers at its meeting on October 13, 2021.
2016	Justification of declared gold exports and provision of information on the nature of exporting companies The review of the gold export declaration provided by the DGD reveals a list of four mining companies that exported gold in 2016. These mining companies do not have an operating permit.	Not implemented	We have not received any explanation for these discrepancies.

Periods	Recommendations	Implementation (Implemented/Partially implemented/Not implemented	CP-ITIE comment
	(table below)		

Tax ID	Company	Weight (in kg)	Value (in CFA francs)
024000216N	Marena Gold SARL 5SKY LINKS GOLD TRADING L.L.C	49	1,018,500,000
086126367V	MARENA GOLD – SARL	93	1,405,536,373
083303751P	ACCORD SA	45	520,075,000
083327405C	SAN OR SARL	3,911	32,758,690,750
082226823T	K.S.S – SARL	448	3,699,217,500

Furthermore, the same statement from the DGD highlights a list of 20 companies that do not appear in the mining register and that have exported gold, as detailed below:

[illegible]	AFRIMETAL SARL	[illegible]	[illegible]
082224283K	COMPANYSEKOU HAMALA SIMPARA SARL	27	2,227,500,000
083102530A	BLACKSTPTRADING DUBAI	252	2,079,000,000
083304304X	YANDA GROUP LLC	2,288	19,249,350,264
083316755N	ISSOUMAILA DIAKITE	3,900	32,175,000,000
083317526K	STEMAMADOUGOLFA ET FILS (SOMAGOF)	1,455	12,221,250,003
083319002R	PIECESD'ORMANSA MOUSSA SA	570	5,065,000,000

Periods	Recommendations				Implementation (Implemented/ Partially implemented/ Not implemented	CP-ITIE comment
	083320299R	SOCIETE SADOU DIALLO ET FRERES SARL	55	453,750,000		
	083327811C	BIC JEWELLERY DUBAI	40	330,000,000		
	083329167Y	MAHER DUBAI	3,742	31,541,600,000		
	083329437V	STE AMI D'OR SARL	5	77,500,000		
	083330229D	SOCIETE SADOU DIALLO ET FRERES SARL	10	825,000,000		
	084109824R	TRAORE IBRAHIM	130	1,217,484,500		
	084116906L	"Hombori African Work" H.A.W.	58	482,286,750		
	084119665G	SWISS BULLION COMPANY AFRICA SA	7	57,481,627		
	084125068N	CHALIYAKADAVATH MALIYIL SHABEER	2	17,094,000		
	085116996F	SAILOR DUBAI	960	7,920,000		
	086136539K	MS KUNDAN CARE PRODUCTS IND	21	176,632,500		
	087000100E	SACKO ET FRERES SA	1,711	14,108,875,774		
	Our trade with these exports is neither In order to guarantee the DGD's ability to take appropriate measures, please provide information on the origi of the goods.	The DGD has not provided u with information on the nature c the exporting companies. absence of exports to justify tl exports nature of the exportir companies	rmis d'av portatric gold to the declared .	See confirmation of es. Mali, it is imperative that ées d'or and provide the		

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed)	CP-ITIE comment
2016	**Improvement of the Accounts Section's reports** During the training workshop, we held a working session with the Accounts Section, which concluded with an agreement on the structure of the report it will issue in accordance with international auditing standards. At the end of the EITI reporting process, the Accounts Section signed the financial management declaration forms and issued a report entitled "Report on the methodology for certifying EITI declarations." A review of the report issued by the Accounts Section reveals the following findings: the methodology followed in the verification was not detailed; the report does not contain an opinion or conclusions issued by the Accounts Section following the audit work carried out; the Accounts Section did not include the revenue statements by type of tax for each structure. It has been noted that the Accounts Section lacks the financial, material, and human resources to improve planning, field work, and reporting for future audits. The Steering Committee is called upon to take the necessary measures to enable the Accounts Section to remedy the shortfall in resources needed to carry out the required audit work. The Accounts Section is called upon, for its part, to produce more detailed reports in the future, including all the required sections.	Executed	A guide for certifying income statements from the extractive industry under the EITI was made available to the accounts section. A template for reporting on the certification of government agency data was agreed with the accounts section and validated by the independent administrator.
2014 2015	**Review of the mining revenue accounting system by the DGE** During our reconciliation work, we identified significant discrepancies, mainly between the DGE's statements and those of the mining companies.	Not applicable	Compensation is a method of payment used by the tax authorities for tax credits granted to extractive entities. It is always supported by supporting documents that justify the initial discrepancies identified.

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed)	CP-ITIE comment
	We set out below the specific features of the accounting treatment of mining revenues for the DGE, which is the source of the differences identified: Throughout their mining activities, companies accumulate VAT credits, which they claim for refund from the DGE in accordance with the provisions of Article 227 of the General Tax Code. Claims approved by the DGE are forwarded to the Treasury, which prepares a refund mandate once the funds become available. Armed with these mandates, mining companies can request payment by offsetting their subsequent declarations. In this case, they send a letter of compensation to the Treasury and inform the DGE when the declaration in question is paid. These payments made by offsetting are included in the company's declaration form, while the DGE only records them when the Treasury sends it a revenue declaration (DR). The time lag between the two operations is the reason for the amounts declared by the companies and not declared by the DGE. Furthermore, we noted that in 2015, the DGE recorded revenue that it considers to be advances on future payments of company declarations. This revenue is recorded on the basis of reimbursement orders received from the Treasury without the company having submitted a declaration or a letter of compensation. We understand that this practice is followed to increase the revenue of the revenue department and achieve the DGE's monthly revenue targets. However, it should be noted that these advances are cleared against future declarations once they are filed by the companies. As long as these revenues have not been declared by the companies, they do not appear on their declaration forms. Consequently, these revenues constitute unjustified discrepancies.		

<table>
<tr><th>Periods</th><th>Recommendations</th><th>Implementation (Implemented/Partially implemented/Not implemented)</th><th>CP-ITIE comment</th></tr>
<tr><td></td><td>It should be noted that while the method of payment by offset is provided for in mining agreements, the practice of recording advances by the DGE is not provided for in any legal text.

In both cases, it should be specified that, for budgeting purposes, revenue declarations recorded by the DGE are considered as State revenue, and a budget expenditure is programmed for the same amount.

In light of this situation, the Steering Committee must assess the impact of this practice of accounting for advances on future revenues from the extractive sector and the consequences for the EITI report data. The Committee must also consider the approach to be adopted for the treatment of these advances in future financial years.</td><td></td><td></td></tr>
<tr><td>2014
2015</td><td>Compliance with the data reliability mechanism adopted by the Steering Committee

In order to comply with Requirement 4.9 of the EITI Standard (2016) aimed at ensuring the reliability of data reported by financial authorities, the Steering Committee has decided that the reporting form must be signed by a senior official or authorized person of the entity and certified by the Accounts Section of the Supreme Court. The latter must produce a letter confirming that the verification has been carried out in accordance with international standards. For INPS, the form must be certified by its statutory auditor.

However, as of the date of publication of this report, we note that not all financial management agencies have complied with the reliability mechanism adopted by the Steering Committee. As mentioned in Section 1.5.2 of this report, only 71% of the revenues reported by the agencies have been certified by the Accounts Section. In addition, the INPS form has not been certified by its external auditor.

With regard to the DGE's declarations, it should be noted that these bear the signature of a senior official and the certification of the Accounts Section.</td><td>Partially implemented</td><td>A guide for certifying extractive industry revenue declarations under the EITI has been made available to the Accounts Section. A template report on the certification of state agency data has been agreed with the Accounts Section.

In addition, the technical feasibility study and implementation of the integration of EITI data into a digital platform in 2022 is underway.</td></tr>
</table>

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed)	CP-EITI comment
	Accounts. However, following our interview with the focal point of the Accounts Section, we understand that the certification work carried out by the latter was limited to reconciling the total amount of revenue reported in each company's disclosure form with the details of the associated receipts. In addition, we noted that the opinion provided for in the reporting form template adopted by the Steering Committee was not fully reproduced by the Accounts Section during certification. This situation does not allow us to ensure that the certification work carried out has contributed to improving the reliability of the data used to prepare this report. Our interview with the focal point of the Accounts Section also enabled us to understand the reasons for the non-certification of the financial management data, which are essentially as follows: the very short time allowed to the Accounts Section to certify the data from the agencies; in addition, we learned that, at the date of preparation of this report, some agencies had not yet submitted their declaration forms for certification; and insufficient human and material resources within the Accounts Section to carry out the certification work. It should be noted that, at the date of publication of this report, the 2014 and 2015 annual reports of the Accounts Section have not been published. In view of this situation, we recommend that the Steering Committee take into consideration the arguments put forward by the Accounts Section when adopting the data reliability mechanism for future EITI reports, namely: Provide reasonable deadlines for each stage of the EITI report preparation process, including data certification;		

<table>
<tr><th>Periods</th><th>Recommendations</th><th>Implementation (Completed/Partially completed/Not completed)</th><th>Comment CP-ITIE</th></tr>
<tr><td></td><td>Review the Accounts Section's capacity to carry out data certification work for government agencies and, if necessary, consider retaining the Auditor General to perform this task.

In order to improve the transparency of revenues paid to the Treasury, we also recommend reviewing the manual system for recording these revenues and considering computerizing this process so that mining revenues can be traced by taxpayer and source of income.</td><td></td><td></td></tr>
<tr><td>2014
2015</td><td>Improving the organization and management of mining titles

Our review of the situation of the Mining Registry in Mali revealed that mining revenues and other information relating to mining and quarrying rights can be found on the website www.referentiel.mines.gouv.ml of the Ministry of Mines of Mali. For each mining title, we can consult the owner, the area, the minerals, the location, the date of application, the date of grant, and the period of validity.

However, our review of the status of active securities as of December 31, 2015, as reported to us by the DNGM, revealed certain deficiencies, which we present below:

the absence of a TIN for certain companies; the tax identification number was not a document required when the security was granted. However, we note that TINs are being gradually incorporated into the land registry.

For certain licenses that are still active, the expiry date is prior to 2015. We present the following cases as examples:

<table>
<tr><td>AE 570/01</td><td>14/01/1999</td><td>31/01</td><td>31/01/2011</td><td>License Active</td></tr>
<tr><td>AE 342/07</td><td>24/01/2007</td><td>02/05/2007</td><td>02/05/2011</td><td>License Active</td></tr>
</table>
</td><td>Partially implemented</td><td>We have noted that some titles have expired but still have "active license" status.


<table>
<tr><td>20-09-2021</td><td>AEX 2665/21</td><td>Eaux souterraines du Mali Sarl</td><td>Autorisation d'Exploration</td><td>Active License</td><td>Mali (Pays)
Région de Sikasso (Région...
Yanfolila (District Géolo...</td><td>Or</td><td>19-12-2021</td></tr>
<tr><td>20-09-2021</td><td>AEX 2663/21</td><td>MIRACLE SARL</td><td>Autorisation d'Exploration</td><td>Active License</td><td>Mali (Pays)
Région de Sikasso (Région...
Bougouni (District Géolog...</td><td>Or</td><td>19-12-2021</td></tr>
<tr><td>20-09-2021</td><td>AEX 2660/21</td><td>BLACKSEEDS RESOURCES LIMITED-MALI SARLU</td><td>Autorisation d'Exploration</td><td>Active License</td><td>Mali (Pays)
Région de Sikasso (Région...
Bougouni (District Géolog...</td><td>Or</td><td>19-12-2021</td></tr>
</table>

However, the MCAS system and the online repository are updated daily on a regular basis.</td></tr>
</table>

<table>
<tr><th>Periods</th><th>Recommendations</th><th>Implementation (Completed/Partially completed/Not completed)</th><th>CP-ITIE comment</th></tr>
<tr><td></td><td>
<table><tr><td>PR 359/08</td><td>28</td><td>28</td><td>28/07/2011</td><td>Active license</td></tr></table>
We have verified that the status of these sample titles has been updated in MCAS;
the mining register refers to license grant dates prior to the dates of the license applications. We present the following example:
<table><tr><th>License Code</th><th>Application Date</th><th>Date of Grant</th></tr><tr><td></td><td></td><td></td></tr></table>
We have verified that this situation has been corrected in the MCAS. According to the DNGM, it was due to an error in entering the information on the title; and
we have noted that the land registry does not refer to the transferring companies; in fact, only the companies to which the licenses were transferred are listed. However, we have verified that the "history" section of MCAS does provide information on the transferor.
At this point, it should be noted that the DNGM has confirmed to us that procedures for checking the conformity and quality assurance of information relating to mining titles have been developed. Periodic reports on expired, canceled, and renewal-due titles will be produced and analyzed with a view to avoiding certain errors regarding the status of mining titles.
Given that the Mining Cadastre is a basic document for delimiting the EITI area and with a view to obtaining reasonable assurance of completeness when validating the reconciliation areas for future reporting periods, we recommend that the DNGM take the necessary measures to strengthen periodic checks on the accuracy and completeness of information on titles entered in the MCAS.
</td><td></td><td></td></tr>
<tr><td>2014
2015</td><td>Improvement of the organization and management of oil titles</td><td>Not implemented</td><td>We have not been informed of any functional oil register.</td></tr>
</table>

Periods	Recommendations	Implementation (Implemented/Partially implemented/Not implemented)	CP-EITI comment
	Requirement 3.9 of the EITI Standard requires EITI implementing countries to maintain a public registry or register containing the following information, which is up to date and complete, for each license granted to companies mentioned in the EITI report: the license holder(s); the coordinates of the area concerned; the date of application and grant of the license and its duration; and in the case of production licenses, the raw materials produced. The license register or cadastre shall contain information on licenses held by all companies, individuals, or groups, including those not mentioned in the EITI report (those whose payments are below the agreed materiality threshold). When reviewing the oil inventory provided by the AUREP, we found that the geographical data and dates of application for the granting of titles were not provided. However, we have learned that as part of the Extractive Industries Governance Support Project in Mali, and in line with the management of mining titles, a new reform is planned through the development of an Oil Cadastre Administration System (OGAS) aimed at improving the management of oil titles. Therefore, following the enactment of the new hydrocarbons law and in view of the various reforms undertaken and outlined in this report, we recommend the rapid implementation of this petroleum cadastre system, which is capable of integrating all data to ensure transparent and efficient title management.		

<table>
<tr><th>Periods</th><th>Recommendations</th><th>Implementation (Completed/Partially completed/Not completed)</th><th>CP-ITIE comment</th></tr>
<tr><td>2014
2015</td><td>Review of discrepancies between EITI data and other sources (CPS)

Reconciliation of EITI data with certain tax and duty items reported in the CPS report revealed significant discrepancies for which we did not obtain the necessary supporting documentation. Details of the significant discrepancies identified are presented below:

<table>
<tr><td>[illegible]</td><td>[illegible]</td><td>[illegible]</td><td>[illegible]</td></tr>
<tr><td>Morila SA</td><td>7,299</td><td>4,147</td><td>3,152</td></tr>
<tr><td>Yatéla SA</td><td>1,588</td><td>934</td><td>654</td></tr>
<tr><td>Somika SA</td><td>1,340</td><td>1383</td><td>-43</td></tr>
<tr><td>Somilo SA</td><td>33,420</td><td>18,923</td><td>14,497</td></tr>
<tr><td>Semico SA</td><td>7,831</td><td>14,604</td><td>-6,773</td></tr>
</table>
We recommend that, when preparing future reports, the Steering Committee encourage stakeholders to provide further explanations for any discrepancies identified. Explaining and analyzing these discrepancies will help support the procedures implemented to ensure the credibility of EITI data.</td><td>Partially implemented</td><td>The Steering Committee organized a working session between the DNGM and the CPS to avoid discrepancies in the data collected. Clarification work must continue.

Discrepancies between different data sets still exist.</td></tr>
<tr><td>2014
2015</td><td>Compliance with reporting instructions

The results of the data collection presented in this report indicate a lack of involvement and cooperation on the part of some reporting entities. In this regard:

the company NAMPALA submitted a reporting form that was not certified by an external auditor;

Absence of unilateral declarations by INPS and DNDC;</td><td>Completed</td><td>Training workshops for collection agencies and extractive entities are organized by the steering committee on how to fill out the collection form.

In addition, staff from the EITI Permanent Secretariat are assisting certain revenue collection agencies in completing the forms.</td></tr>
</table>

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed	CP-EITI comment
	The unilateral statement by the DNGM was not broken down by company, which was explained by the large number of companies involved. No unilateral statement by the DGE on extractive companies outside the scope of the reconciliation process; only a unilateral statement on subcontractors was provided; and Some financial management forms were not certified by the Accounts Section. We recommend that the necessary awareness-raising measures be put in place to address the shortcomings and failures identified on the part of the reporting entities and to ensure the success of the data collection process and compliance with the EITI Requirements.		
2014 2015	**Establishment of mechanisms for tracking social payments** According to Requirement 6.1 (e) of the 2016 EITI Standard, "where significant social expenditures by companies are required by law or by contract with the government controlling the extractive investment, the EITI report must disclose them and, where possible, reconcile the related transactions." The same requirement also recommends that "where the Multi-Stakeholder Group agrees that discretionary social expenditures and transfers are significant, it is encouraged to develop a reporting process to achieve a level of transparency equivalent to the disclosure of other payments and revenue flows received by State entities." We understand that there is currently no structure in place to monitor companies' legal or contractual commitments in this area. We also understand that there are no mechanisms for accounting for and monitoring social payments.	Implemented	The decree identifying the DNACP as the public body responsible for monitoring the social and environmental commitments of extractive companies has been made available to the independent administrator. A monitoring mission took place in the Sikasso region, with two (02) representatives from the EU Delegation, the DNACPN, the DNGM and the Permanent Secretariat of the EITI. The same mission was scheduled to take place in the Kayes region. The Office of the Auditor General produced a report on the monitoring of social payments by extractive companies.

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed)	CP-ITIE comment
	This situation does not ensure the traceability of social payments and may limit the impact of these payments on local populations. We recommend that the Steering Committee initiate discussions with stakeholders with a view to establishing a structure responsible for monitoring the environmental and social commitments of extractive companies; and that mechanisms be put in place to ensure the traceability of social payments with a view to maximizing their impact on local communities.		
2014 2015	**Establishment of a database on the extractive sector** The new EITI standard requires the publication of contextual data on the extractive sector, including: an overview of the extractive sector in terms of regions, projects, reserves, and governance; the sector's contribution to GDP, exports, government revenues, and employment; and a description of the licensing process, data on actual ownership, etc. When collecting this information, we encountered some difficulties as it was either unavailable (employment) or scattered across several structures. We also noted that the websites of the AUREP and the DNGM, the two bodies that manage the oil and mining sectors respectively, are not updated, and as a result, most of the data is not accessible to the public (production data, annual reports of public entities). To increase transparency in the extractive sector, all information on the extractive sector needs to be collected, processed, and made available to the public on a regular basis.	Partially implemented	A consultant has been recruited by the EITI Steering Committee, with funding from the Mining Sector Governance Project (MSGP), to carry out a technical feasibility study and implement the integration of EITI data into a digital platform in 2022. This study is currently underway.

Periods	Recommendations	Implementation (Completed/Partially completed/Not completed)	EITI CP comment
	We recommend exploring the possibility of establishing an extractive sector database that can centralize all contextual data on the sector and be regularly updated from the databases of administrative structures that hold such data.		
2014 2015	**Implementation of previous EITI recommendations** Requirement 7.4 of the 2016 EITI Standard stipulates that "the Multi-Stakeholder Group is required to take action based on lessons learned to identify, understand and address the causes of non-compliance and to take into account the recommendations resulting from EITI reporting." As part of the follow-up to the recommendations proposed in previous reports, we noted that most of the shortcomings have not yet been resolved. The necessary measures must be taken before the next EITI reports are published. We recommend that the Steering Committee: to maintain a scorecard including the list of recommendations and actions taken to implement them; to periodically review and update the status of implementation of the recommendations and annex it to the annual activity report; and to assess the impact of actions taken on strengthening transparency and good governance of extractive sector revenues.	Completed	The EITI Steering Committee has produced and approved a follow-up report on the implementation of the recommendations of the 2014, 2015, 2016, 2017, and 2018 EITI reports. This report has been made available to us.

11 ANNEXES

LIST OF ANNEXES

List of annexes to the EITI MALI 2019 report	
Annex	Table showing progress on the work plan
Annex	Companies selected for unilateral reporting
Annex	Capital structure and actual ownership of companies included in the scope of reconciliation
Appendix 4	Reliability of declarations
Appendix 5	Number of employees
Appendix	Mandatory social payments
Appendix 7	Voluntary social payments
Appendix	List of mining titles
Appendix 9	Status of titles granted in 2019
Appendix	Reconciliation sheet by company
Appendix	Details of transactions with local suppliers in 2019
Appendix	Details of transactions with foreign suppliers in 2019
Appendix	Unilateral declarations provided by the DGE
Annex 14	Unilateral declarations provided by the DNGM
Annex	Unilateral declarations provided by the INPS
Annex	Unilateral declarations provided by the Regional Tax Directorates
Appendix	Unilateral declarations provided by the ONRP
Appendix	Details of transactions by subcontractors not declared by the DGE
Appendix	2019 declaration forms
Appendix	Working team

NB: The annexes are presented in Excel files.

Appendices-Report-IT
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