

Transparency

What is the Extractive Industries Transparency Initiative (EITI)?

At the core of the EITI is a requirement for extractive companies to publish their tax and royalty payments to host governments, and for governments in parallel to publish their receipts. This enables greater scrutiny of the scale of payments generated by the extractive sectors and of the ways in which the revenues are used.

National implementation requires government leadership and oversight by a multi-stakeholder process in which government, civil society and business representatives work together. The EITI Standard was revised in 2013 and broadened to include transparency around a wider range of activities including, for example, exploration licenses and sub-national payments. CIS countries participating in the EITI include the Kyrgyz Republic, Kazakhstan, Tajikistan and Ukraine.

Armenia and EITI

There is increasing interest in the possibility of Armenia becoming an EITI Implementing Country. The government has expressed interest in Armenian participation, a country coordinator has been appointed and an exploratory multi-stakeholder group, in which Lydian participates, has been established.



The Extractive Industries Transparency Initiative (EITI) is being implemented in almost fifty countries and has the declared support of ninety mining and oil and gas companies at the international level.

Lydian and EITI

Lydian strongly supports the EITI's international objectives of increasing transparency and accountability around the governance and management of resource-based revenues, along with the concept of partnership which underpins it.

Lydian believes that implementation in Armenia could help to foster greater understanding of the mining sector and to build confidence and trust between governments, civil society and mining companies given that attitudes towards mining are often unhelpfully polarised. Lydian is already publishing the payments which it makes to the Government of Armenia quarterly. The company recently commissioned an independent study of the likely socio-economic contribution of the Amulsar project in order to promote greater public understanding of mining's potential contribution to the Armenian economy.

Lydian is looking at becoming an international Supporting Company to publicly support the EITI, helping to promote the Standard in both Armenia and globally.