Transparency template

**Module: Environmental and social impacts**

 **Covering requirements: Greenhouse gas emissions (#3.4) Social and environmental expenditures (#6.1) and Environmental impact (#6.4)**

**Sector covered by this template**: ☐ Oil and gas OR [x] Mining (and quarrying)

**Period under review:** *What is the period that this template covers?*Month and year to month and year: December 31st 2021 to October 1st 2025.

*Note: for Validation, it is the day of commencement of the previous Validation which marks the beginning of the period under review until the date of commencement of the upcoming Validation.*

This form is submitted for ☐ International Secretariat feedback as part of implementation support

 OR [x]  Validation as part of final submission for assessment

**Introduction**

Extractives activities generate social and environmental impacts. This module addressed key disclosure areas related to the environment and social impacts. Those impacts are often of a core concern in countries, and ensuring that factual information on those impacts is available and understood by the public can inform decision-making and better risk-management.

More and more companies are reporting under voluntary reporting frameworks and EITI reporting can refer to and re-publish data that is of interest to key stakeholders. However, in some cases those company disclosures report total amounts of social contributions or environmental payments, without disaggregation into mandatory and discretionary. The EITI Standard requires this distinction to ensure that stakeholders understand what payments are required and what which ones are discretionary.

**What is the purpose of this template?**

The purpose of this template (C6) is for the MSG to conduct a self-assessment on meeting the requirements of the component “Environmental and social impacts” which covers Requirements 3.4, 6.1 and 6.4. Given that the information is assessed per sector, the self-assessment allows to uncover further areas of improvement particular to the sector, as the challenges and opportunities are often very different.

Each requirement section contains:

1. A box with additional resources
2. Corrective actions from the previous Validation, where applicable
3. A self-assessment. This is divided between an assessment of the holders of information and the availability of systematic disclosures, complemented by EITI reporting and an assessment against the technical aspects and underlying objectives of the requirement in questions & response format
4. Comments from the Secretariat

Some requirements include a check of applicability. In that case there are two more sections (‘applicability’ and ‘materiality’).

 **When should this template be completed?**

The template should be used as a tool for implementation. MSGs are encouraged to use this template regularly and ahead of Validation, for example to inform reporting and identify areas where disclosures need to be strengthened. Before commencement of Validation, the templates could be updated regularly. In such instances, you may get support from your country lead and indicate that this form is for International Secretariat feedback.

**The templates should be finalised and published by the commencement of Validation.** For Validation, this form serves as basis for assessing the country under this component. The form must be reviewed and [signed off](#_heading=h.6m7cihoyvxr4) by the multi-stakeholder group and submitted latest on the day of the commencement of Validation and be published on the country’s website. At this stage, it should be indicated on the form that the template is submitted for Validation.

**Who should fill this template?**

The **national secretariat** should fill up this template with support from government agencies and constituency members outside of the MSG. The International Secretariat can provide guidance. The MSG should review, discuss and give the final sign-off on the content of the template.

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# Requirement 3.4: Greenhouse gas emissions

## Resources

|  |
| --- |
| * [Requirement in full](https://eiti.org/eiti-requirements#_4-greenhouse-gas-emissions-17306), [Validation guide](https://eiti.org/guidance-notes/validation-guide-2023-eiti-standard#requirement-34-greenhouse-gas-emissions-18999).
 |

## Corrective actions / recommendations from previous Validation

ⓘ To inform the work on this module, stakeholders should be aware of corrective actions from previous Validation. In line with Requirement 7.3, the MSG should consider recommendations from EITI implementation such as those arising from EITI reporting related to this requirement or from other studies undertaken.

|  |
| --- |
| *Insert recommendation and or corrective action from previous Validation and indicate the status of corrective actions, if applicable. For first Validations under the 2023 Standard, this section can be left blank as it is a new requirement.* |

## Self-assessment

ⓘ The self-assessment allows the MSG to understand the aspects of the requirement and estimate its progress towards meeting it. Diverging views within the constituency or between constituencies can be documented in the form.

### Holders of information

ⓘ The purpose of identifying the holders of information is to identify the entity or entities that are responsible for collecting, storing, processing and ultimately publishing information related to this requirement. It allows to clearly identify who is the information steward that needs to provide the information for EITI reporting: either through reporting or systematic disclosures.

|  |  |  |
| --- | --- | --- |
|  | **Question** | **Response** |
| **Encouraged** | Which companies collect data on the greenhouse gas emissions associated with their operations?  |  All ZEITI report In-scope companies. |
| **Encouraged** | Which government agency collects data on greenhouse gas emissions associated with the extractive sector? | The Zambia Environmental Management Agency (ZEMA), Ministry Of Green Economy and Environment, Ministry of Mines (Mines Safety Department) |

### Technical requirement

|  |  |
| --- | --- |
| **Encouraged** | **Greenhouse gas emissions disclosures** |
| *Availability* | **Do any of the companies disclose greenhouse gas (GHG) emissions data?**[x]  Yes ☐ No**If yes, are these disclosures in line with existing leading disclosure standards?**[x]  Yes ☐ NoExplain (optional):**Are company disclosures disaggregated at the country or project level?[[1]](#footnote-1)**[x]  Yes ☐ NoExplain (optional):**If not, has the multi-stakeholder group requested companies to disaggregate the emissions data information to be disaggregated?**☐ Yes ☐ NoExplain (optional):**If company(ies) disclose(s) emissions data, where can those be accessed?** *Mining Emissions Data* <https://zambiaeiti.org/mining-emissions-data/> *AND / OR**Other sources: EITI Report (year and page number), EITI website etc***Do any government entities disclose company emissions data?**☐ Yes [x]  NoExplain (optional):**If yes, are these disclosures disaggregated at the project level?** ☐ Yes ☐ NoExplain (optional):**If the government discloses emissions data, where can those be accessed?** *Systematic disclosures: website or routine publication by the companies:* *AND / OR**Other sources: EITI Report (year and page number), EITI website etc* |

### Underlying objective

*The objective of this requirement is to enable public understanding and debate of greenhouse gas emissions associated with the extractive sector.*

**Use of information**

1. Are company disclosures disaggregated at a level that makes them useful for national stakeholders?

|  |
| --- |
| [x]  Yes ☐No*The Data is disaggregated by project except the ZEITI MSG does not disclose the data in an interoperable format. Discussions to make the data interoperable are under way and will be considered in the 2026.* |

1. Are national stakeholders aware of company disclosures and how to access them?

|  |
| --- |
| [x]  Yes ☐No *The disclosures were uploaded to ZEITI’s Website and various stakeholders were informed on their availability. However full disclosure and publication remains limited.* |

1. Is company emissions data available in open format, for example as excel work sheet, to facilitate its use?

|  |
| --- |
| ☐ Yes [x] No*Describe the data set(s) available, including in what format:*  |

1. Has the MSG conducted any analysis using any of the information of this requirement?

|  |
| --- |
| ☐ Yes [x]  No*If yes, sources to where this analysis can be found.*  |

1. Is the MSG aware of stakeholders using this information?

|  |
| --- |
| ☐ Yes [x]  No*If applicable, sources to where this analysis can be found*  |

1. Has the disclosure of greenhouse gas emissions informed public debate or supported national priorities related to the extractive sector’s emissions?

|  |
| --- |
| ☐ Yes [x]  No *The requirement is fairly new and stakeholders have not yet had an opportunity to fully utilize the available data.* |

### Conclusion

Based on the review of the [technical aspects](#_heading=h.3mzpzx4va3nw) and [underlying objective](#_heading=h.6m7cihoyvxr4), what is the MSG’s overall assessment towards meeting the requirement?

Score is:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **☐** | ☐ | ☐ | [x]  | ☐ | ☐ |
| very poor (0) | poor (25) | limited (50) | good (70) | very good (90) | leading (100) |
|  |  |  |  |  |  |

**Or**

☐ not applicable

|  |
| --- |
| Explain |

## International Secretariat feedback

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| *To be filled in by the International Secretariat**Observations of comprehensiveness of addressing the aspects, any gaps identified and further clarification needed.*

|  |  |
| --- | --- |
|  |  |
| Existence of disclosures*Encouraged* |  |
| Disclosures in line with existing standards*Encouraged* |  |
| Disaggregation of disclosures*Encouraged* |  |
| Underlying objective |  |
| Any other observations |  |
| On availability of systematic disclosures |  |
| On the timeliness of disclosures |  |
| On open format of disclosures |  |

 |

# Requirement 6.1: Social expenditures and environmental payments

## Resources

|  |
| --- |
| [Requirement in full](https://eiti.org/eiti-requirements#_1-social-expenditures-and-environmental-payments--17329), [Validation guide](https://eiti.org/guidance-notes/validation-guide-2023-eiti-standard#requirement-61-social-expenditures-and-environmental-payments-19017)Relevant guidance notes: [Social and environmental expenditures](https://eiti.org/guidance-notes/social-and-environmental-expenditures) |

## Corrective actions/recommendations from previous Validation

|  |
| --- |
| *Insert recommendation and or corrective action from previous Validation, indicating the status of addressing corrective actions if applicable. If this is a first Validation, this section can be left blank.*  |

## Applicability of the requirement

ⓘ The MSG should establish if this requirement is applicable.

**Social expenditures[[2]](#footnote-2)**

**Are companies required to undertake social expenditures to government agencies and/or third parties by law or the terms of the contract governing their extractive investment?**

☐ Yes [x]  No

|  |
| --- |
| Add explanation: Enter here Social Expenditures are voluntary and not mandatory. |

**Environmental payments[[3]](#footnote-3)**

**Are companies required to undertake environmental payments to government agencies by law or the terms of the contract governing their extractive investment?**

 [x] Yes ☐ No

|  |
| --- |
|  Through the Environmental Protection Fund Companies are required to make annual returns to the Fund. This is provided for in section 60 and 66 of the Minerals Regulation Commission Act No. 14 of 2024. |

If the response is “no” to both questions above, the requirement is not required. There may be discretionary[[4]](#footnote-4) (ie not mandated by law) social expenditures, environmental expenditures and/or environmental payments made. The disclosures of those are *encouraged.* Please provide information on the holders of such information (see ‘encouraged’) and then move to section “Encouraged - 6.1.d – Discretionary social and environmental expenditures” for a self-assessment against this encouraged part of the requirement.

If the response is ‘yes’ to any of the two questions above, move to establishing the materiality next.

## Materiality

**Were mandatory social expenditures to government agencies and/or third parties material in the period under review?**

☐ Yes [x]  No

|  |
| --- |
| If yes, specify the materiality threshold adopted for these payments and note whether it is different than for other revenue streams: Enter here |

**Were mandatory environmental payments to government agencies material in the period under review?**

 [x]  Yes ☐ No

|  |
| --- |
| If yes, note if the materiality threshold of these payments is different than for other revenue streams: In addition to the EPF provisions in the MRC Act the ZEC has included in its 2023 report a section detailing material environmental Expenditure.EPF has been set up with the appointment of EPF committee members by the Minister of Mines. It aims to: (i) provide assurance to the Director of the Mines Safety Department that the developer shall execute environmental and social impact statements in accordance with the Mines and Minerals (Environmental) Regulations 1997; and(ii) provide protection to the Government against the risk of having the obligation to undertake the rehabilitation of mining areas where the mining licence holder fails to do so.The contributions to the fund are dependent on the environmental audits on the mining firms that are enforced by the Director of Mine Safety. The audits are conducted to ascertain the extent of the environmental liability caused by each individual mining firm. The payment obligations to the fund has two components. The first component consists of the followingcategories: five percent (5%), ten percent (10%), or twenty percent (20%), which depend on the classification of each mine and represents the component of the liability that needs to be paid as cash directly into the fund. The second component consists of the balance which is allocated as 95%, 90% or 80% of the environmental liability which needs to be secured in form of a bank guarantee. EPF is supervised by MMMD through Statutory Instruments, (Sis) in particular SI No. 102 of 1998. EPF operates under the following fundamental guidelines:-cash payment into EPF to be in hard currency;-the developer’s contributions to EPF shall be made in hard currencies (Cap. 213, S.76 (2) (b) and S.I 102of 1998 (Regulation 8 (2));-the balance on deposits lodged under S.1. 29 of 1997, Regulation 66 (1), (2) and (3) shall be securedwith the Fund by the developer by way of lodgement of a Bond or Bank Guarantee to be determined bythe Minister (Cap. 213, S. 76 (1) (b);-funds to be Index-Linked, no interest earned;-the developer’s contribution shall retain its time-value with respect to inflation as calculated relative to hard currency (S.I. 102 of 1998 Regulation (8) (3)). At the expiry of a licence or permit, the developer shall be refunded the amount deposited to the extent that such amounts were not appropriated by government for payment of any progressive rehabilitation costs (Cap. 213, S. 82 (3) (a) and (b)). The refund shall not accumulate interest; and-only the Fund Committee can approve withdrawals from EPF. In the event that a developer is directed by the Director of MSD to take specific remedial action, and fails to do so, the Director shall execute the remedial action using the developer’s contributions to the Fund which becomes recoverable (Cap 213, S/78 (1)). The developer’s fund so used shall not exceed the amount of cash deposit lodged by him to the Fund (Cap 213, S. 82 (3) (b). This therefore means that each developer can use only his contribution and will only get his contribution back.Administrative expenses of operating the fund shall not exceed 1% of the total income of the Fund except during the commissioning of the office of the EPF Manager (S.I. 29, 1997 Regulation (5)). Payments are made to the Fund in US Dollars and are retained in a USD bank account outside the State budget. |

## Holders of information

ⓘ The purpose of this mapping is to identify the entity or entities that are responsible for collecting, storing, processing and ultimately publishing information related to this requirement. It allows to clearly identify who is the information steward that needs to provide the information for EITI reporting: either through reporting or systematic disclosures. This section can also be used for informing the EITI Report (see Annexe A – mapping).

|  |  |  |
| --- | --- | --- |
|  | **Question** | **Response** |
| **Required****Social expenditures 6.1.a** | Which **government entity(ies)** is/are responsible for holding/collecting data on **mandatory social expenditures to government agencies** and/or third parties for the mining and quarrying/oil and gas sector? | N/A |
| **Expected****Contracts describing social expenditures 6.1.a** | Which **government entity(ies)** is/are responsible for holding/collecting the contracts, and any other documents required by law, that describe the level and allocation of **mandatory social expenditures** in the mining and quarrying/oil and gas sector? | N/A |
| **Required****Environmental payments 6.1.b** | Which **government entity(ies)** is/are responsible for holding/collecting data on **mandatory environmental payments to government agencies** for the mining and quarrying/oil and gas sector? |  *The Fund was under the MMMD (MSD) and was later moved to the new enacted MRC and is being managed by the fund manager*  |
| **Expected****Contracts describing environmental payments 6.1.b** | Which **government entity(ies)** is/are responsible for holding/collecting the contracts which mandate **environmental payments** in the mining and quarrying/oil and gas sector? | *The Fund was under the MMMD (MSD) and was later moved to the new enacted MRC and is being managed by a fund manager.* |
| **Encouraged****Discretionary social expenditures 6.1.d** | Which **government entity(ies)** is/are responsible for holding/collecting **data on discretionary social expenditures to third parties and / or government agencies** for the mining and quarrying/oil and gas sector? | N/A |
| **Encouraged****Discretionary environmental payments to third parties****6.1.d** | Which **government entity(ies)** is/are responsible for holding/collecting **data on discretionary environmental expenditures and payments to third parties or government entities** for the mining and quarrying/oil and gas sector? | N/A |
|  | **Existing disclosures of information** |  |
| **Other routine disclosures** | Are there any industry or other publications that contain this information on at least an annual basis?This can include industry publications, think tanks, etc.  | N/A |

## Self-assessment

### Technical aspects of the requirement

**Social expenditures**

|  |  |
| --- | --- |
| **Required** | **6.1.a – Mandatory social expenditures** |
| *Availability of disclosures* | **Are disclosures of mandatory social expenditures from companies to government agencies and/or third parties available?**☐ Yes [x]  No **Please list the types of mandatory social expenditures that are applicable:** * Material social expenditures provided **in kind**

☐ Yes [x]  Not applicableIf ‘yes’, is the nature and the deemed value of the in-kind transaction disclosed?☐ Yes ☐ No ☐ Partially * The beneficiary of the mandated social expenditure is a third party (i.e. not a government agency)

☐ Yes [x]  Not applicableIf ‘yes’s, is the amount and the name(s) and function(s) of the beneficiary(ies) ? ☐ Yes ☐ No ☐ Partially **Is gender-disaggregated data on the beneficiaries of mandatory social expenditures available?**☐ Yes ☐ No [x]  Not applicable ☐ Not available**Is the disclosed information reconciled?** ☐ Yes [x]  No If no, explain why: ***Where can mandatory social expenditure data be found for the period under review?***Systematic disclosures: website www. or routine publication by the [holders of information](#_heading=h.1mqrq7cpo1z8)AND / OROther sources: EITI Report (year and page number), EITI website etc |
| *Quality of data: Assessment of comprehensive-ness, reliability and timeliness of information* | **Has the multi-stakeholder group agreed a procedure to address data quality and assurance of information on social expenditures?**☐ Yes [x]  No **Is the procedure reconciliation?** ☐ Yes [x]  No *Note: it is not required to reconcile. It is required that the MSG agree a procedure it considers fit for purpose.* **Where can the agreed procedure for social expenditures be accessed?**Systematic disclosures: website www. or routine publication by the [holders of information](#_heading=h.1mqrq7cpo1z8)AND / OROther sources: pages 80 - 81 of the EITI 2022 Report**Has the MSG or any stakeholder expressed any concern that any of the above information might be incomplete. unreliable, or outdated?**  ☐ Yes [x]  No  ☐ The MSG has not assessed the comprehensiveness, reliability and timeliness**If yes:Has the MSG or any stakeholder expressed any concern that any of the above information might be incomplete. unreliable, or outdated?**  ☐ Yes ☐ NoIf yes, please explain or provide the information on how to access the concerns expressed by stakeholders: (ie. MSG meeting minutes, section of an EITI Report etc.) |
| **Expected** | **6.1.a – Disclosure of contracts related to mandatory social payments** |
| *Availability (6.1.a)* | Does the country disclose the **contracts, and any other documents required by law, t**hat describe the level and allocation of material mandatory social expenditures?☐ Yes [x]  No ☐ Partially **If ‘no’ or partially, are there any practical or legal barriers to disclosing contracts and other documents requirement by law?**☐ Yes ☐ No Elaborate: This does not apply to Zambia because there are no mandatory social payments provided for in the lawThe disclosure of contracts is an *expectation*. If no disclosures made, the MSG must demonstrate that it has considered this issue. **Has the MSG considered the disclosure of contracts describe the level and allocation of material mandatory social expenditures?**☐ Yes [x]  No ***Where is the evidence of this discussion accessible?***Systematic disclosures: website www. or routine publication by the [holders of information](#_heading=h.1mqrq7cpo1z8)AND / OROther sources: MSG meeting minutes, annual progress report narrative etc. – please include direct link where available |

**Environmental payments (or expenditures)**

|  |  |
| --- | --- |
| **Required** | **6.1.b – Mandatory environmental payments** |
| *Availability* | **Is information about material mandatory environmental payments to government agencies in the mining and quarrying/oil and gas sector publicly available?** [x]  Yes ☐ No **Please check the types of mandatory environmental payments that are applicable:** ☐ Environmental fee/tax☐ Payment for carbon dioxide emissions CO2 and Nitrogen Oxides emission (Nox) ☐ Payment for air pollution☐ Payment for emissions to the environment☐ Mine rehabilitation fee☐ Mine waste fees[x]  Water use fees[x]  Contribution/payment to environmental protection agency/fund[x]  Payment for environmental license/permit☐ Other: please describe: ***Where can mandatory environmental payment data be found for the period under review?***Systematic disclosures: website www. or routine publication by the [holders of information](#_heading=h.1mqrq7cpo1z8)AND / OROther sources: EITI Report (year and page number), EITI website etc |
| *Quality of data: Assessment of comprehensive-ness, reliability and timeliness of information* | **Has the multi-stakeholder group agreed a procedure to address data quality and assurance of information on environmental payments?**☐ Yes [x] No **Is the procedure reconciliation?** ☐ Yes ☐ No *Note: it is not required to reconcile. It is required that the MSG agree a procedure it considers fit for purpose.* **Where can the agreed procedure for environmental payments be accessed?**Systematic disclosures: Eleventh Schedule of the Mines and Minerals (Environmental) Regulations (MMER) Statutory Instrument No. 29 of 1997AND / OROther sources: EITI report (incl year, page nr), MSG meeting minutes, annual progress report narrative etc. – please include direct link where available**Has the MSG or any stakeholder expressed any concern that any of the above information might be incomplete. unreliable, or outdated?**  [x]  Yes ☐ No  ☐ The MSG has not assessed the comprehensiveness, reliability and timeliness of environmental payments**If yes:Has the MSG or any stakeholder expressed any concern that any of the above information might be incomplete. unreliable, or outdated?**  ☐ Yes ☐ NoIf yes, please explain or provide the information on how to access the concerns expressed by stakeholders: (ie. MSG meeting minutes, section of an EITI Report etc.) |

|  |  |
| --- | --- |
| **Expected** | **6.1.b – Disclosure of contracts related to mandatory environmental payments** |
| *Availability (6.1.b)* | **Are environmental payments mandated by contracts?**[x]  Yes ☐ No **Does the country disclose those contracts**?☐ Yes ☐ No [x]  Partially **If ‘no’ or partially, are there any practical or legal barriers to disclosing contracts and other documents requirement by law?**☐ Yes ☐ No Elaborate: The disclosure of contracts is an *expectation*. If no disclosures made, the MSG must demonstrate that it has considered this issue. **Has the MSG considered the disclosure of contracts that require companies to make environmental payments?**[x]  Yes ☐ No ***Where is the evidence of this discussion accessible?*** ***ZEC Minutes*** [***https://zambiaeiti.org/zeiti-council-minutes/***](https://zambiaeiti.org/zeiti-council-minutes/)Systematic disclosures: website www. or routine publication by the [holders of information](#_heading=h.1mqrq7cpo1z8)AND / OROther sources: MSG meeting minutes, annual progress report narrative etc. – please include direct link where available |
| **Encouraged** | **6.1.c – Evaluation of legal and contractual obligations for social and environmental expenditures or payments** |
| *Availability* | As part of the procedure to address data quality and the assurance of information, as required by 6.1.c, has the MSG conducted an evaluation of **whether the legal or contractual obligations on social and environmental expenditures or payments are followed in practice** in the mining and quarrying/oil and gas sector?[x]  Yes ☐ NoIf yes, what is the outcome of the evaluation? There are no contractual obligations for social expenditures.***Where is the evidence of this evaluation accessible?*** Systematic disclosures: ZEITI Website <https://zambiaeiti.org/> AND / OROther sources: EITI Report (year and page) MSG meeting minutes, dedicated study etc – please include direct link where available |

|  |  |
| --- | --- |
| **Encouraged** | **6.1.d – Discretionary social and environmental expenditures** |
| *Availability* | **Do any companies make discretionary (ie not mandatory) social expenditures or environmental payments?**☐ Yes [x]  No **Does the MSG consider any of those to be material?**☐ Yes ☐ No **If yes, check ones apply in your country:** ☐ **Material discretionary social expenditures to third parties** If applicable, is the data publicly available? ☐ Yes ☐ No ☐ **Material discretionary environmental expenditures to third parties** If applicable, is the data publicly available? ☐ Yes ☐ No ☐ **Material discretionary environmental payments to government** If applicable, is the data publicly available? ☐ Yes ☐ No **Material discretionary environmental expenditures to third parties****☐ Yes ☐ No ☐ Not applicable**If applicable and available, are discretionary social expenditures to third parties and/or discretionary environmental expenditures to third parties disaggregated by beneficiary?  ☐ Yes ☐ NoIf applicable and available, are discretionary social expenditures to third parties and/or discretionary environmental expenditures to third parties disaggregated by gender of the beneficiaries? ☐ Yes ☐ No***Where can discretionary social expenditure data be found for the period under review?***Systematic disclosures: website www. or routine publication by the [holders of information](#_heading=h.1mqrq7cpo1z8)AND / OROther sources: EITI Report (year and page number), EITI website etc***Where can discretionary environmental payments (to government) and environmental expenditures (to third parties) data be found for the period under review?***Systematic disclosures: website www. or routine publication by the [holders of information](#_heading=h.1mqrq7cpo1z8)AND / OROther sources: EITI Report (year and page number), EITI website etc |
| *Assessment on comprehensive-ness, reliability and timeliness of information* | **Has the MSG or any stakeholder expressed any concern that any of the above information might be incomplete. unreliable, or outdated?**  ☐ Yes ☐ NoIf yes, please explain**Has the MSG agreed a procedure to address data quality and assurance of discretionary social and environmental payments and expenditures?**☐ Yes ☐ No **Is the procedure reconciliation?** ☐ Yes ☐ No *Note: it is not required to reconcile. It is required that the MSG agree a procedure it considers fit for purpose.* **Where can the agreed procedure for social expenditures be accessed?**Systematic disclosures: website www. or routine publication by the [holders of information](#_heading=h.1mqrq7cpo1z8)AND / OROther sources: EITI report (incl year, page nr), MSG meeting minutes, annual progress report narrative etc. – please include direct link where available |

Additional comments and observations, including any possible gaps, barriers to disclosures and how stakeholders (MSG, government, companies) are addressing those:

|  |
| --- |
| *Add any further comments:*  |

### Underlying objective

The objective of this requirement is to enable public understanding of extractive companies’ social and environmental contributions, and to provide a basis for assessing extractive companies’ compliance with their legal and contractual obligations to undertake social and environmental expenditures.

**Use of information**

Are there ongoing national reforms or public debates where this requirement is relevant?

|  |
| --- |
| [x]  Yes ☐ No *The MSG has encouraged the public disclosure of environmental payments on the Zambia EITI portal.**The MMMD through the newly enacted MRC bill appointed a fund manager to handle all environmental related payments.* |

Is any of the information set out above available in an open format, for example, an Excel worksheet?

|  |
| --- |
| [x]  Yes ☐ No*Describe the data set(s) available, including in what format: Through Excel sheets and CSV files on the ZEITI Portal.* |

Has the MSG conducted any analysis using any of the information of this requirement?

|  |
| --- |
| [x]  Yes ☐ No*If yes, sources to where this analysis can be found. The MSG used the data to analyze compliance among mining companies in making environmental payments and also how that fund was being utilized.* |

Is the MSG aware of stakeholders using this information?

|  |
| --- |
| [x]  Yes ☐ No*If applicable, sources to where this analysis can be found ZEITI Portal* [*https://portal.zambiaeiti.org/home*](https://portal.zambiaeiti.org/home) *and ZEITI website* [*https://zambiaeiti.org/*](https://zambiaeiti.org/) |

### Conclusion

Based on the review of the [technical aspects](#_heading=h.6m7cihoyvxr4) and [underlying objective](#_heading=h.6m7cihoyvxr4), what is the MSG’s overall assessment towards meeting the requirement?

Score is:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **☐** | ☐ | ☐ | [x]  | ☐ | ☐ |
| very poor (0) | poor (25) | limited (50) | good (70) | very good (90) | leading (100) |
|  |  |  |  |  |  |

**Or**

☐ not applicable

|  |
| --- |
| Please explain |

## International Secretariat feedback

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| *To be filled in by the International Secretariat**Observations of comprehensiveness of addressing the aspects, any gaps identified and further clarification needed.*

|  |  |
| --- | --- |
| 6.1.a – mandatory social expenditures*Required* |  |
| 6.1.a – Disclosure of contracts related to mandatory social payments*Expected* |  |
| 6.1.b – mandatory environmental payments*Required*  |  |
| 6.1.b – Disclosure of contracts related to mandatory environmental payments*Expected* |  |
| 6.1.c – data quality and assurance*Encouraged* |  |
| 6.1.d – further information on social and environmental expenditures *Encouraged* |  |
| Underlying objective |  |
| Any other observations |  |
| On availability of systematic disclosures |  |
| On the timeliness of disclosures |  |
| On open format of disclosures |  |

 |

# Requirement 6.4: Environmental and social impact of extractive activities

## Resources

|  |
| --- |
| [Requirement in full](https://eiti.org/eiti-requirements#_4-environmental-and-social-impact-of-extractive-activities--17333), [Validation guide](https://eiti.org/guidance-notes/validation-guide-2023-eiti-standard#requirement-64-environmental-and-social-impact-18980)Relevant guidance notes: [Environmental impact of extractive activities](https://eiti.org/guidance-notes/environmental-impact-extractive-activities) |

## Corrective actions/recommendations from previous Validation

|  |
| --- |
| *Insert recommendation and or corrective action from previous Validation, indicating the status of addressing corrective actions if applicable. If this is a first Validation, this section can be removed.*  |

## Holders of information

ⓘ The purpose of this mapping is to identify the entity or entities that are responsible for collecting, storing, processing and ultimately publishing information related to this requirement. It allows to clearly identify who is the information steward that needs to provide the information for EITI reporting: either through reporting or systematic disclosures. This section can also be used for informing the EITI Report (see Annexe A – mapping).

|  |  |  |
| --- | --- | --- |
|  | **Question** | **Response** |
| **Overview of the legal framework & reforms 6.4.a** | Which **government entity(ies)** provide a description of the legal and administrative framework governing the environmental and social impact management and monitoring in the Choose an item. sector?NB: Rules pertaining to environmental permits, licenses, impact assessments, rehabilitation, decommissioning, closure, agencies’ responsibilities are covered by this requirement.  | Zambia Environmental Management Agency (ZEMA), Ministry of Green Economy and Environment |
| **Impact assessments 6.4.b** | Which **government entity(ies)** **and reporting companies** hold the information about public environmental, social and gender impact assessments for Choose an item. sector? | Zambia Environmental Management Agency (ZEMA), Ministry of Community Development and Social Services , |
| **Further information about impact 6.4.c** | Which **company(ies)** hold further information about their social, gender and environmental management and impact in the Choose an item. sector? | N/A |
| **Monitoring and enforcement practices 6.4.d** | Which **government entity(ies)** is/are responsible for holding/collecting information on  the monitoring and enforcement practices related to the environmental and social impact in the Choose an item. sector? | Zambia Environmental Management Agency (ZEMA)Specify publications and websites/links with this information |
| **Sanctions 6.4.e** | Which **government entity(ies)** is/are responsible for the sanctioning processes and application of sanctions? | Zambia Environmental Management Agency (ZEMA) |

## Self-assessment

### Technical aspects of the requirement

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| --- | --- |
| **Required** | **6.4.a – Overview of the legal framework and 6.4.b on the public accessibility** |
| **Availability** | **Is an overview of relevant legal provisions and administrative rules governing the environmental and social impact management and monitoring in the Choose an item. sector available? (6.4.a)** [x]  Yes ☐ No ***Where can the above information be accessed? Environment Management Act No. 8 of 2023.*** [***https://www.parliament.gov.zm/sites/default/files/documents/acts/ACT%20No.%208%20OF%202023%2C%20The%20Environmental%20Management%20IAmendment%29.pdf***](https://www.parliament.gov.zm/sites/default/files/documents/acts/ACT%20No.%208%20OF%202023%2C%20The%20Environmental%20Management%20IAmendment%29.pdf)Systematic disclosures: website www. or routine publication by the [holders of information](#_heading=h.1mqrq7cpo1z8)AND / OROther sources: EITI Report (year and page number), EITI website etc**Is information available on the roles and responsibilities of relevant government agencies in implementing the rules and regulations publicly accessible?**[x]  Yes ☐ No ***Where can the above information be accessed?***  ***Environment Management Act No. 8 of 2023.*** [***https://www.parliament.gov.zm/sites/default/files/documents/acts/ACT%20No.%208%20OF%202023%2C%20The%20Environmental%20Management%20IAmendment%29.pdf***](https://www.parliament.gov.zm/sites/default/files/documents/acts/ACT%20No.%208%20OF%202023%2C%20The%20Environmental%20Management%20IAmendment%29.pdf)AND / OROther sources: EITI Report (year and page number), EITI website etc |
| **Required** | **6.4.b – Accessibility of impact assessments** |

| Check which of the following apply in your country, based on legal provisions:  | Are those publicly available? | If available, how to access |
| --- | --- | --- |
| [x]  Information on rules regarding environmental permits and licenses | [x]  Yes ☐ No  | ZEMA Website <https://www.zema.org.zm/>  |
| [x]  Social assessments | [x]  Yes ☐ No  | ZEMA Website <https://www.zema.org.zm/>  |
| ☐ Gender assessments | ☐ Yes ☐ No  | Link to holders of information / overview of links |
| [x]  Environmental assessments | [x]  Yes ☐ No  | ZEMA Website <https://www.zema.org.zm/>  |
| [x]  Rehabilitation programmes | [x]  Yes ☐ No  | Ministry of Mines and Mineral Development website <https://www.mmmd.gov.zm/?page_id=1110> and MRC |
| [x]  Decommissioning programmes | [x]  Yes ☐ No  | Ministry of Mines and Mineral Development website <https://www.mmmd.gov.zm/?page_id=1110> and MRC |
| [x]  Closure programmes | [x]  Yes ☐ No  | Ministry of Mines and Mineral Development website <https://www.mmmd.gov.zm/?page_id=1110> and MRC |
| ☐ Other:  | ☐ Yes ☐ No  | Link to holders of information / overview of links |

|  |  |
| --- | --- |
| *Assessment on comprehensiveness, reliability and timeliness of information* | **Have any stakeholders (including, but not limited to MSG members) expressed concerns that any of the information above are incomplete, unreliable or outdated?** [x]  Yes ☐ No The MSG has expressed concern over the non-disclosure of all emissions data submitted by mining companies.**Are the gaps due to legal or practical barriers?**☐ Yes [x]  NoIf yes, explain plans to overcome barriers to disclosure of all of the above information, or provide a link to where the assessment on comprehensiveness, reliability and timeliness can be accessed, ie. a study, EITI Report section (year, page), etc. |
| **Encouraged** | **6.4.a – Overview of reforms** |
| *Availability* | **Is information available on any reforms that are planned or underway related to legal provisions and administrative rules governing environmental and social impact management and monitoring?**[x]  Yes ☐ No ***Where can information on reforms planned or under be accessed? The Environmental Management Act No. 12 of 2011 was amended to the EMA No. 8 of 2023 covering various reforms.***<https://www.parliament.gov.zm/sites/default/files/documents/acts/ACT%20No.%208%20OF%202023%2C%20The%20Environmental%20Management%20IAmendment%29.pdf> AND / OROther sources: EITI Report (year and page number), EITI study, EITI website etc |
| **Encouraged** | **6.4.c – Further information about impact** |
| *Availability* | Is information available on:* Companies’ social management and impact

☐ Yes [x]  No * Companies’ gender management and impact

☐ Yes [x]  No * Companies’ environmental management and impact

[x]  Yes ☐ No ***If yes, where can this be accessed?*** ZEITI Website <https://zambiaeiti.org/mining-emissions-data/> and ZEMA Website <https://www.zema.org.zm/> AND / OROther sources: EITI Report (year and page number), EITI website etc |
| *Assessment on comprehensiveness, reliability and timeliness of information* | Has the MSG or any stakeholder expressed any concern that any of the above information might be incomplete. unreliable, or outdated?  [x]  Yes ☐ NoThe non disclosure of emissions data by ZEMA has posed significant challenges for analyzing environment impacts caused by Mining companies.**Are the gaps due to legal or practical barriers?**☐ Yes [x]  NoIf yes, explain plans to overcome barriers to disclosure of all of the above information, or provide a link to where the assessment on comprehensiveness, reliability and timeliness can be accessed, ie. a study, EITI Report section (year, page), etc. |
| **Encouraged** | **6.4.d – Monitoring and enforcement practices** |
| *Availability* | Is information available on the **monitoring and enforcement practices** related to the environmental and social impact of extractive activities?☐ Yes [x]  NoDoes this include information on environmental and social monitoring activities related to **water, land, emissions and human rights**?☐ Yes ☐ NoIf yes, does it include the outcomes of these activities?☐ Yes ☐ No***If yes, where can this be accessed?***Systematic disclosures: website www. or routine publication by the [holders of information](#_heading=h.1mqrq7cpo1z8)AND / OROther sources: EITI Report (year and page number), EITI website etc |
| *Assessment on comprehensiveness, reliability and timeliness of information* | Has the MSG or any stakeholder expressed any concern that any of the above information might be incomplete. unreliable, or outdated?  [x]  Yes ☐ No ZEITI MSG has endeavoured to collaborate with the Zambia Environmental Management Agency (ZEMA) to systematically disclose environmental licences granted, reports from environmental audits carried out, and reports produced by mining companies each year. To further strengthen citizens' understanding of environmental rights and obligations.**Are the gaps due to legal or practical barriers?**Yes [x]  No☐  The gaps are due to practical barriers. The barriers are due to different work plan priorities and deliverables between ZEITI and ZEMA. |
| **Encouraged** | **6.4.e – Sanctions** |
| *Availability* | Is information available on environmental sanctioning processes?[x]  Yes ☐ NoIs information available on any sanctions applied?[x]  Yes ☐ No***If yes, where can this be accessed?***holders of information The 1997 Environmental Impact Assessment act- <https://www.zema.org.zm/docs/eia-regulations-statutory-instrument-no-28-of-1997/> and the 2013 Environmental Management (licensing regulation). I.S. No. 21- <https://www.zema.org.zm/wp-content/uploads/2023/03/The-Environmental-Management-Licencing-Regulations-2013-PT.pdf> AND / OROther sources: EITI Report (year and page number), EITI website etc |
| *Assessment on comprehensiveness, reliability and timeliness of information* | Has the MSG or any stakeholder expressed any concern that any of the above information might be incomplete. unreliable, or outdated?  ☐ Yes ☐ NoIf yes, please explain**Are the gaps due to legal or practical barriers?**[x]  Yes ☐ No |

The MSG is invited to provide additional comments and observations, for example any possible gaps, ways to improve data quality, importance for implementation with regards to country priorities, barriers to disclosures and how stakeholders (MSG, government, companies) are addressing those:

|  |
| --- |
| Add any further comments:  |

### Underlying objective

The objective of this requirement is to provide a basis for stakeholders to assess the adequacy of the regulatory framework and monitoring efforts to manage the environmental and social impact of extractive industries, and to assess extractive companies’ adherence to environmental and social obligations.

**Use of information**

Do MSG members consider that the information disclosed on environmental impact management and monitoring in the sector help citizens better understand the reforms and measures governments are taking to mitigate potentially negative environmental impacts and assess their adequacy?

[x]  Yes ☐ No

*Transparency International Zambia used the EIA from ZEMA to carry out a study on the effects of mining in one of Zambia’s protected areas and used the findings to help stakeholder to better understand the implications of mining in this area in such a protected area-* [*https://tizambia.org.zm/2023/08/ti-z-statement-on-cancellation-of-lower-zambezi-mining-licence/*](https://tizambia.org.zm/2023/08/ti-z-statement-on-cancellation-of-lower-zambezi-mining-licence/)

Is any of the information set out above available in an open format, for example, an Excel worksheet?

|  |
| --- |
| ☐ Yes [x]  No*Describe the data set(s) available, including in what format:*  |

Has the MSG conducted any analysis using any of the information of this requirement?

|  |
| --- |
| ☐ Yes [x]  No*If yes, sources to where this analysis can be found.*  |

Is the MSG aware of stakeholders using this information?

|  |
| --- |
| ☐ Yes [x]  No*If applicable, sources to where this analysis can be found*  |

### Conclusion

Based on the review of the [technical aspects](#_heading=h.urkciuzh0he9) and [underlying objective](#_heading=h.zg4v28nbgm5z), what is the MSG’s overall assessment towards meeting the requirement?

Score is:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **☐** | ☐ | [x]  | ☐ | ☐ | ☐ |
| very poor (0) | poor (25) | limited (50) | good (70) | very good (90) | leading (100) |
|  |  |  |  |  |  |

**Or**

☐ not applicable

|  |
| --- |
| Please explain |

## International Secretariat feedback

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| *To be filled in by the International Secretariat**Observations of comprehensiveness of addressing the aspects, any gaps identified and further clarification needed.*

|  |  |
| --- | --- |
| 6.4.a – overview of the legal framework*Required* |  |
| 6.4.b – Accessibility of public impact assessments*Required* |  |
| 6.4.a – Overview of reforms*Encouraged* |  |
| 6.4.c – further information about impact*Encouraged* |  |
| 6.4.d – Monitoring and enforcement practices*Encouraged* |  |
| 6.4.e – Sanctions*Encouraged* |  |
| Underlying objective |  |
| Any other observations |  |
| On availability of systematic disclosures |  |
| On the timeliness of disclosures |  |
| On open format of disclosures |  |

 |

# For Validation: MSG sign-off

**Date of MSG sign-off**

Click or tap to enter a date.

**Sign off through:** Click or tap here to enter text.

Examples are MSG meeting, through circular to MSG members and non-objection

**Link to documentation or provide evidence as attachment to submission:**

*Provide link to webpage with MSG meeting minutes or submit other evidence with the template submission*

\*\*\* Form ends

1. Many companies disclose their total global emissions under existing mandatory and voluntary reporting standards. Disaggregation of this data could include national or project-level data. [↑](#footnote-ref-1)
2. From the guidance note on 6.1: ***Social expenditures to government*** (also referred to as social payments) are social contributions paid by companies directly to government entities. ***Social expenditures to third parties*** are social contributions that are made by companies to third parties (non-government entities) and can include payments to a service provider, a local association, local development support funds administer by local communities etc. [↑](#footnote-ref-2)
3. From the guidance note on 6.1: ***Environmental expenditures to government*** (**also referred to as environmental payments**) are contributions that are typically made by companies to the government to compensate for or mitigate potential environmental impact by oil, gas and mining operations. ***Environmental expenditures to third parties*** are environmental contributions made to third parties that do not represent a government entity (e.g. a service provider performing activities, like reforestation work required by environmental work programmes) [↑](#footnote-ref-3)
4. Meaning: not required by law or a contract. Those can be referred to as ‘CSR contributions’. Note that companies in some cases might report total amounts of social contributions, without disaggregation into mandatory and discretionary, however the EITI Standard requires this data to be disaggregated, to ensure that stakeholders understand what is required and what is discretionary. MSGs are encouraged to engage with relevant stakeholders to identify approaches to more granular data disaggregation. [↑](#footnote-ref-4)