

# 2017 Resource Governance Index

Measuring the quality of governance  
in the oil, gas and mining sectors of 81 countries.

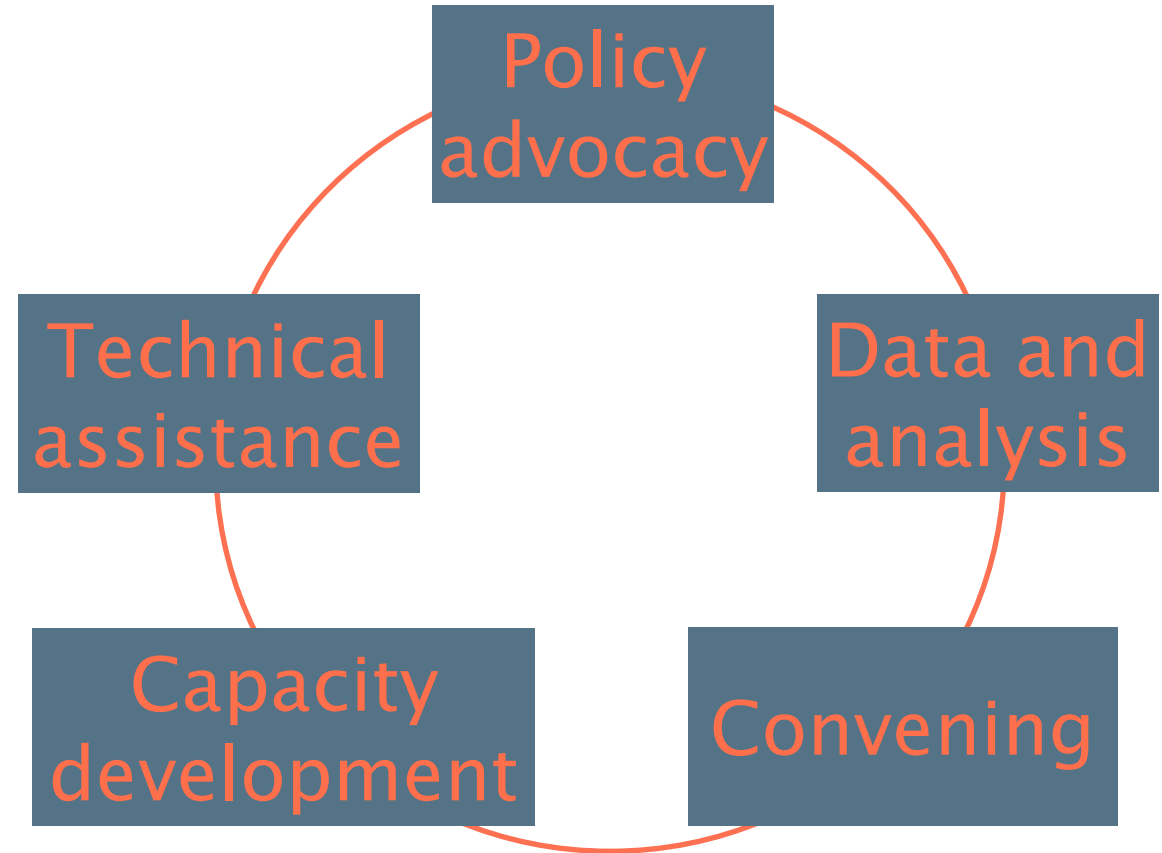


16th JRC Annual Training on Composite Indicators and Scoreboards  
8 November 2018

# Natural Resource Governance Institute

Helps people to realize the benefits of their countries' endowments of **oil, gas and minerals**.

Works with **agents of change** to promote accountable and effective governance in the extractive industries.



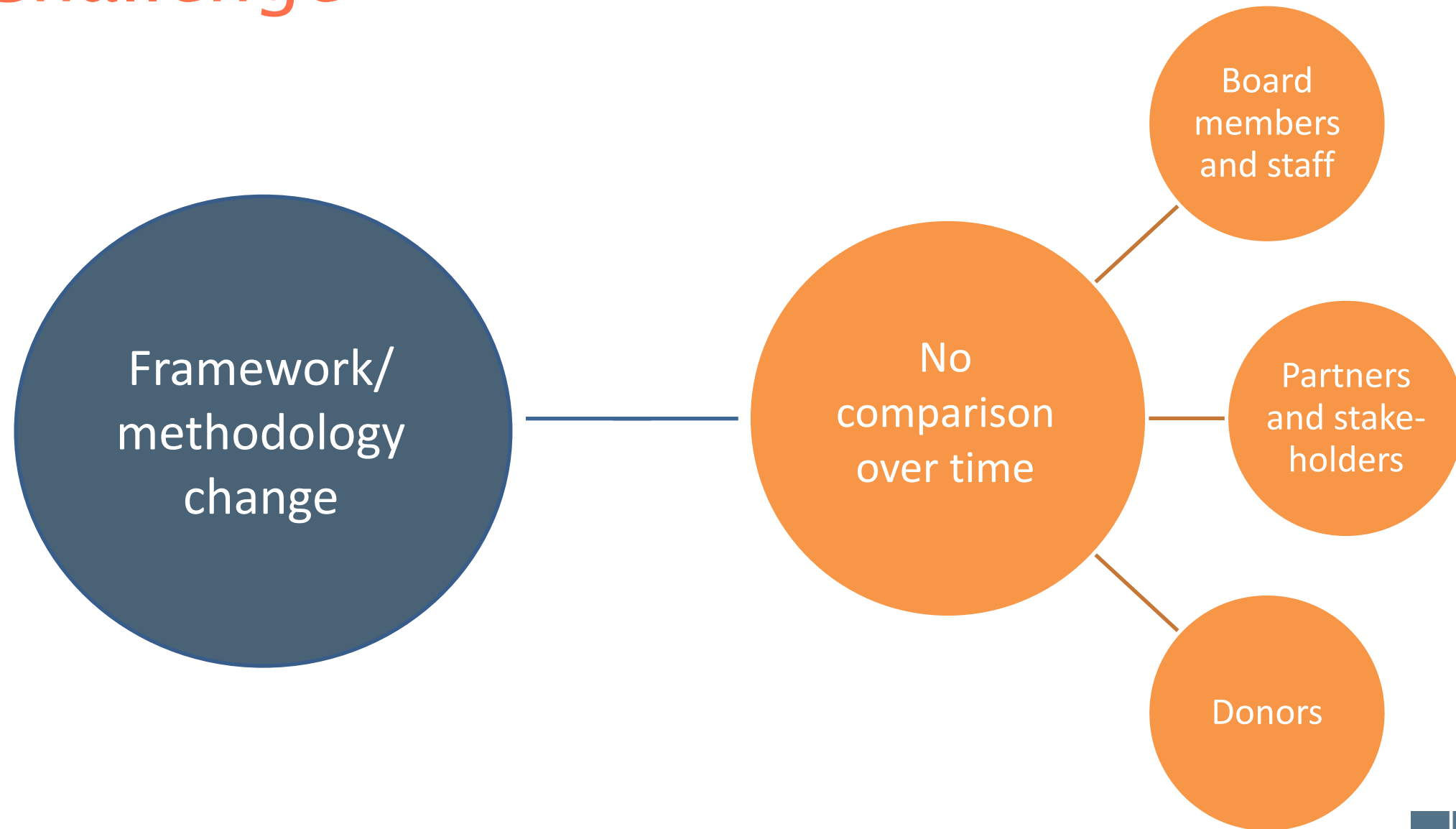
# Resource Governance Index

The only international index dedicated to the measurement of governance of extractive resources

## Objectives of the RGI

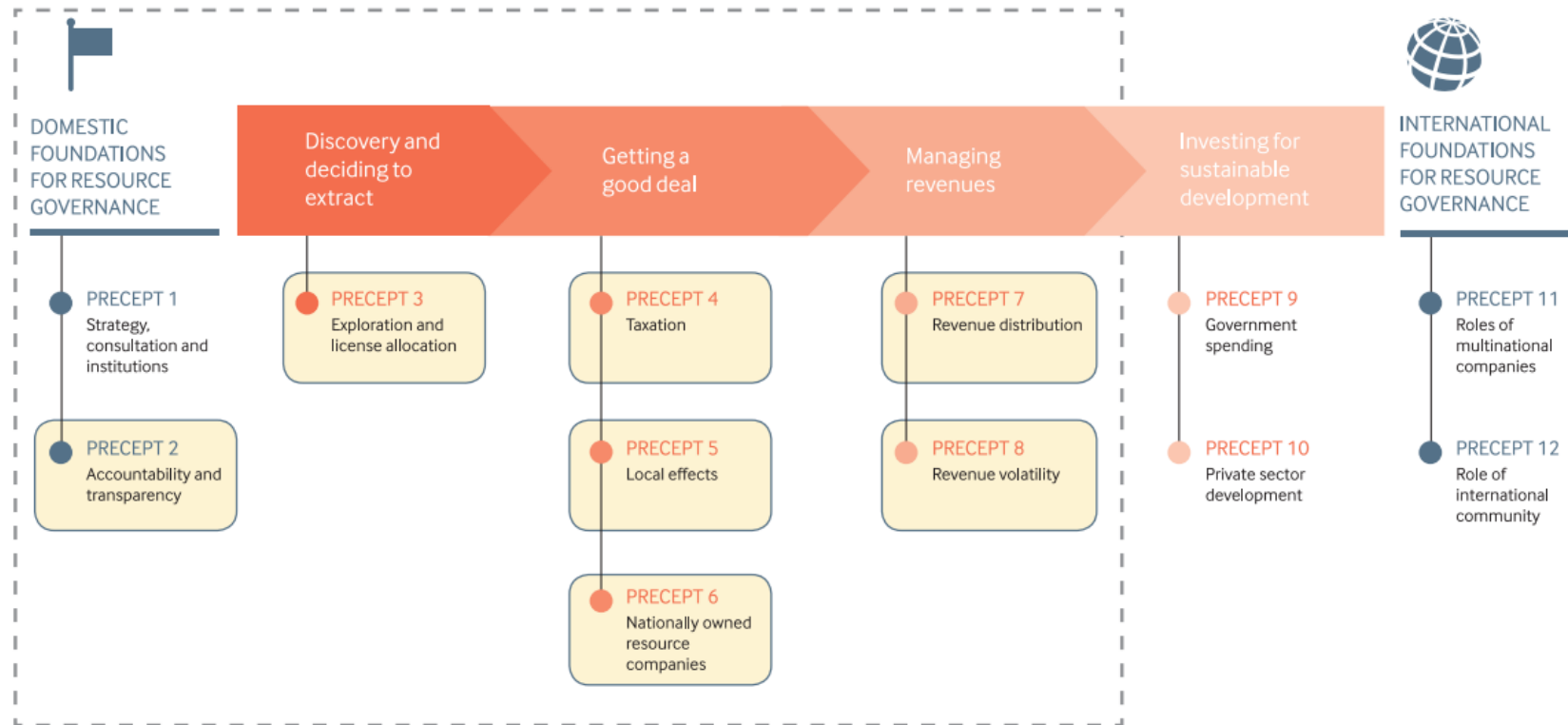
- Raise global awareness of **governance challenges** in the extractive sector
- Encourage **informed global dialogue** about extractives governance
- Ensure **better policy choices** by governments and parliaments, based on the use of high-quality data
- Further **multi-stakeholder dialogue** with civil society, academia and private sector
- Pilot launched in 2013
  - 58 countries
- Most recent iteration launched in 2017
  - 81 countries
  - 150 researchers
- **Next iteration in 2021...**

# Challenge

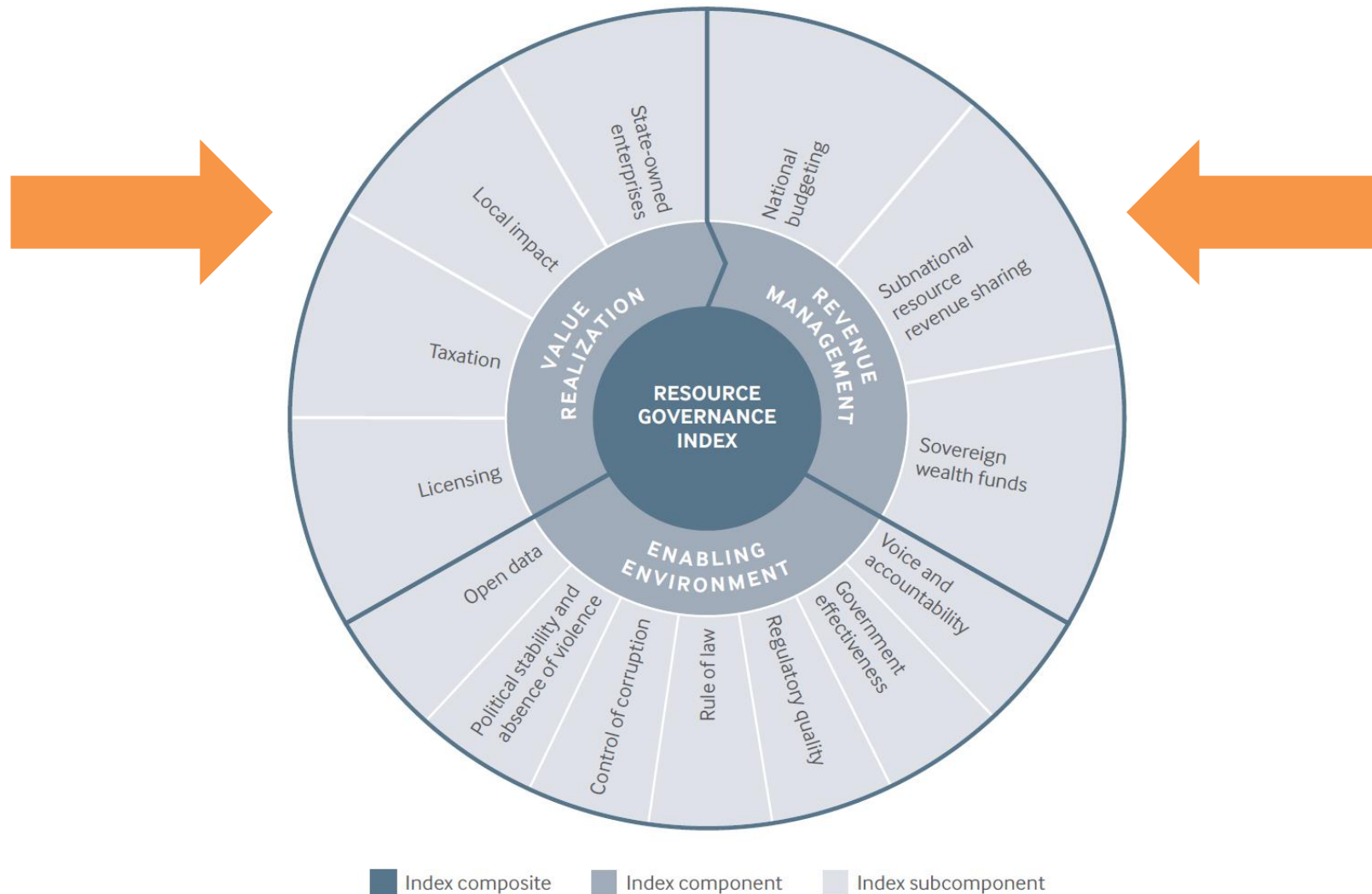


# RGI framework revision

The revised index methodology and framework, and the expanded thematic coverage is informed by, and is closely aligned to the Natural Resource Charter

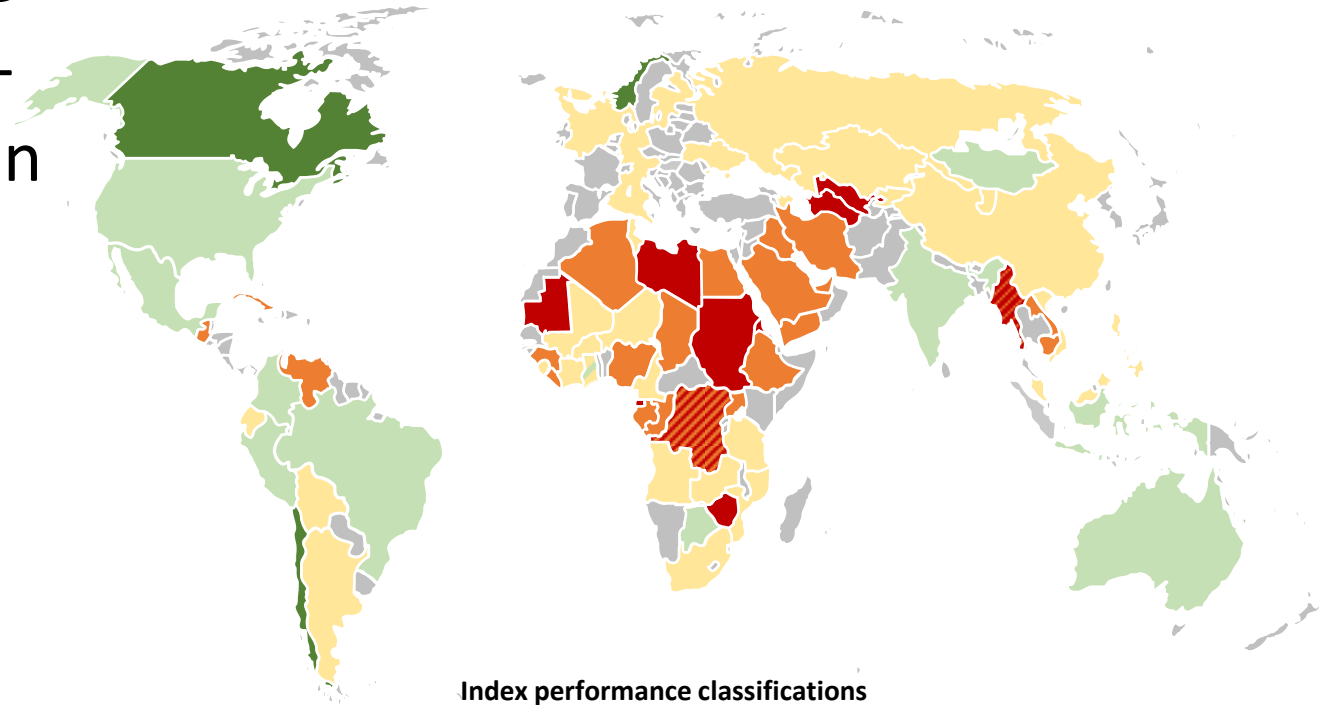


# The Resource Governance Index framework



# Better resource governance can help lift 1.8 billion people out of poverty

- Almost 6 billion people live in the 81 countries included in the RGI - over 3/4 of the world's population
- Of these, 1.8 billion people are classified as poor
- Almost half of these poor people live in countries with weak, poor or failing resource governance



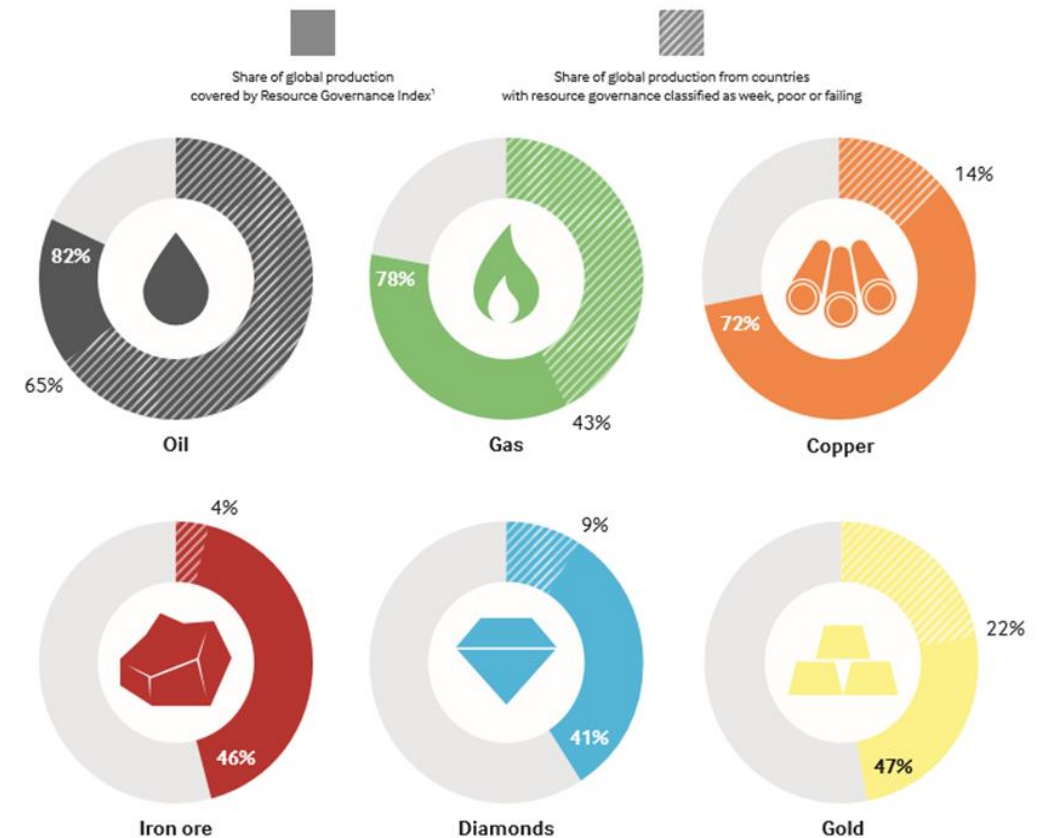
| Index performance classifications |                     |
|-----------------------------------|---------------------|
| Good                              | Scores 75 or more   |
| Satisfactory                      | Scores 60-74        |
| Weak                              | Scores 45-59        |
| Poor                              | Scores 30-44        |
| Failing                           | Scores less than 30 |



# A considerable share of global commodity production is governed less than satisfactorily

The RGI's 81 resource-producing countries account for:

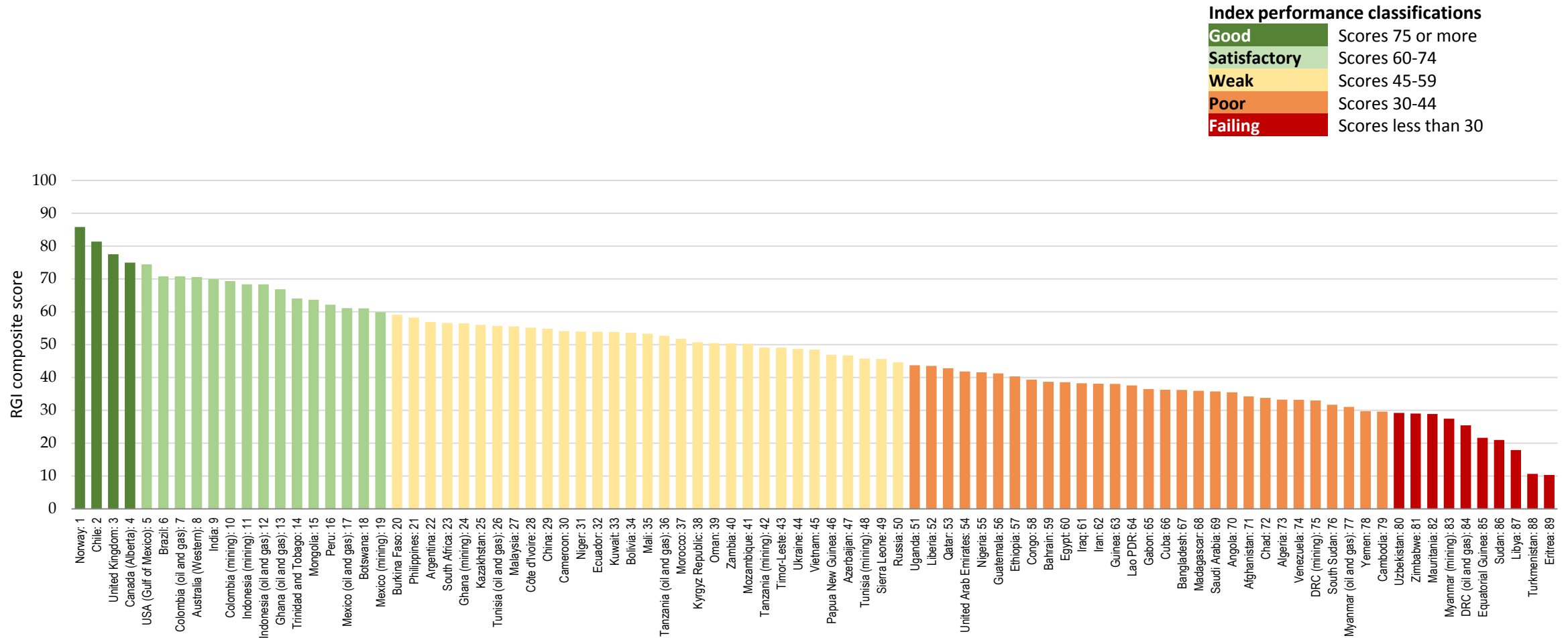
- 82% of global oil production
- 78% of global gas production
- 72% of global copper production
- Among other commodities



<sup>1</sup> Only accounts provincial production for United States of America (Gulf of Mexico), Canada (Alberta), Australia (Western). Includes all minerals of an assessment that covers the mining sector; does not include oil and gas production of mining sector assessment and minerals production of oil and gas sector assessment.



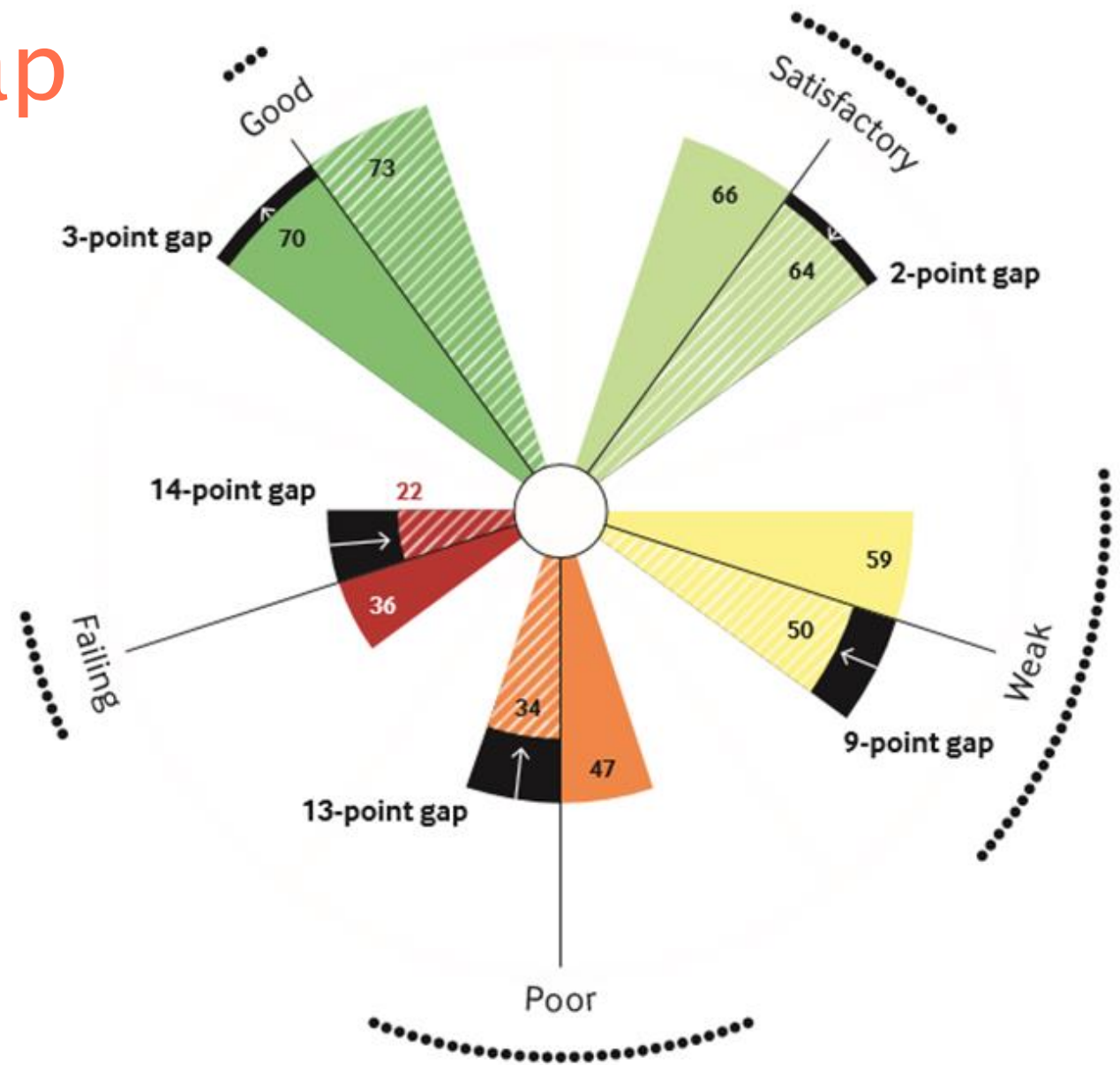
# Most countries still face governance challenges



# Implementation gap

Countries often fail to follow their own rules

The “gap” is higher for countries that fall in the weak, poor or failing categories



# Selected resources

**Natural Resource Governance Institute**

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**/ Datasets**

Filter by location [Clear](#)

Search datasets...

32,737 datasets found **Order by:** Relevance

TCD-2016-HY: Tchad: Les députés adoptent trois projets de loi relatif au pétrole  
★★★★★  
Question 016: From 2015 onwards, has the government publicly disclosed signed licences/contracts?  
[PDF](#)

COL-2016-MI: Report DNP, IV-2014  
★★★★★  
Question 147: From 2015 onwards, has the government adhered to the numeric rules governing the size of withdrawals from natural resource funds?  
[PDF](#)

ARE-2016-HY: ADNOC Government Selling Prices  
★★★★★  
Question 103: How does the SOE market physical commodities?, 106: Are there rules determining the prices at which the SOE's share of production should be sold?  
[PDF](#)

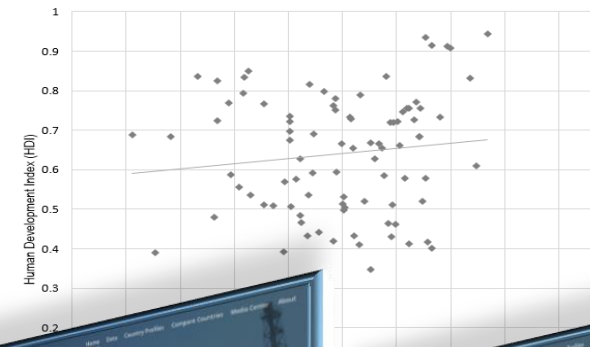
**Sub-components**

- Licensing (10414)
- State-owned enterpr... (6233)
- Taxation (4937)
- Local impact (3721)
- Revenue management (2577)
- Sovereign wealth funds (2484)

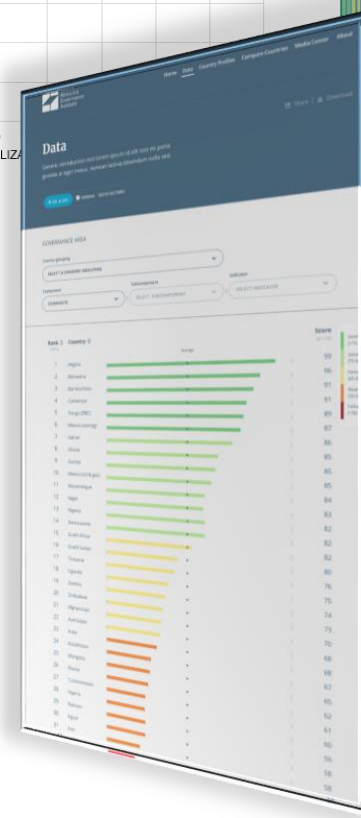
CORREL(X,Y) = 0.12

◆ All countries

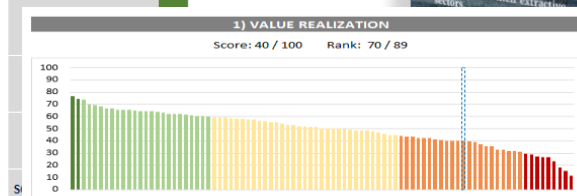
◆ <select group to highlight>



50 REALIZ



| LICENSING                    | 37  | TAXATION                   | 48 | LOCAL IMPACT                             | 29 | STATE-OWNED ENTERPRISES | 47 |
|------------------------------|-----|----------------------------|----|------------------------------------------|----|-------------------------|----|
| RESERVES DISCLOSURE          | 77  | PRODUCTION DISCLOSURE      | 67 | EIA/SIA RULES                            | 25 |                         |    |
| CADASTER                     | 0   | EXPORT DISCLOSURE          | 67 | EIA/SIA DISCLOSURE                       | 0  |                         |    |
| PRE-LICENSING ROUND RULES    | 100 | COMPANY PAYMENT RULES      | 0  | ENVIRONMENTAL MITIGATION PLAN RULES      | 50 |                         |    |
| PRE-LICENSING ROUND PRACTICE | 67  | COMPANY PAYMENT DISCLOSURE | 57 | ENVIRONMENTAL MITIGATION PLAN DISCLOSURE | 0  |                         |    |
| POST LICENSING               |     |                            |    | ENVIRONMENTAL                            |    |                         |    |



2017 Resource Governance Index - 16th JRC Annual Training on Composite Indicators and Scoreboards

# NRGI publications

## Guide to Extractive Sector State-Owned Enterprise Disclosures

JANUARY 2018



## How Did Fiscal Rules Hold Up in the Commodity Price Crash?

David Mihalyi and Liliana Fernández

JUNE 2018



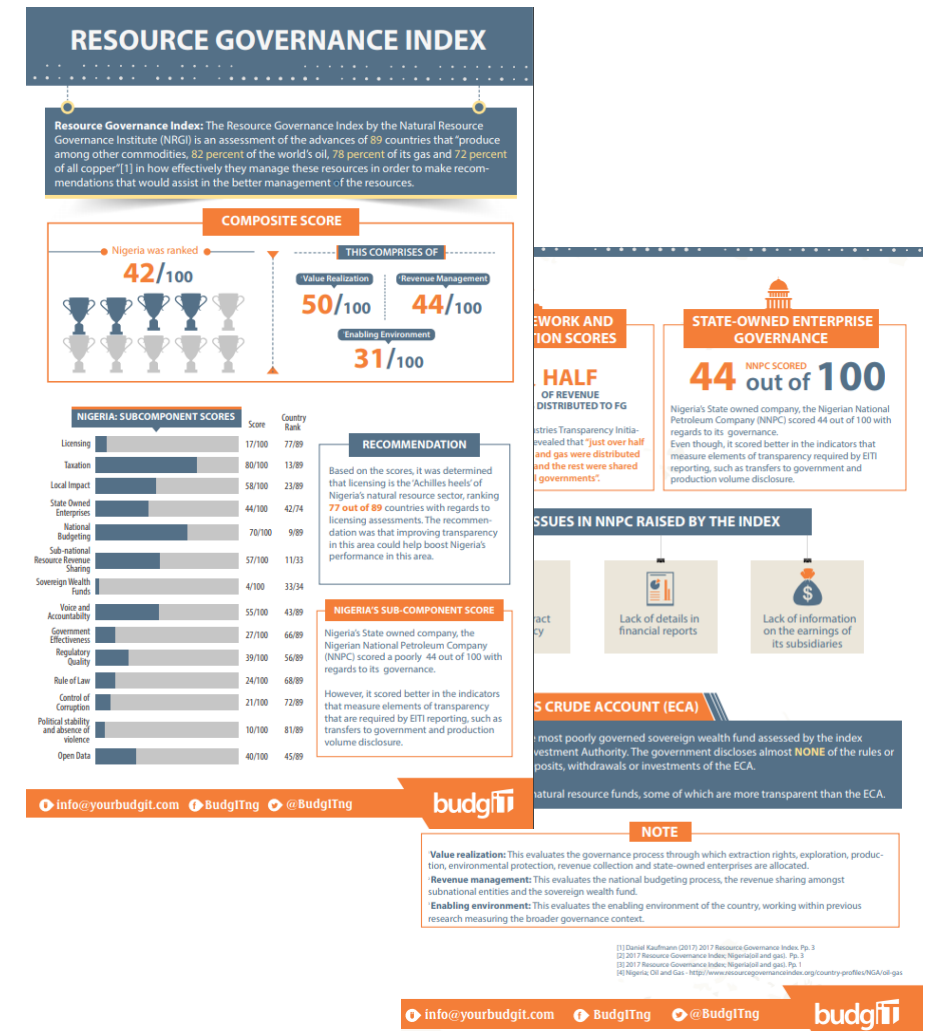
## An Economic Evaluation of Gold Mining Tax Regimes in the Kyrgyz Republic

David Minley

JUNE 2018



# Data translation examples



# Policy examples

| Guinea                                 |     |                                |     |                                             |     |                                                |     |                            |     |                                      |     |                                     |   |                                             |    |
|----------------------------------------|-----|--------------------------------|-----|---------------------------------------------|-----|------------------------------------------------|-----|----------------------------|-----|--------------------------------------|-----|-------------------------------------|---|---------------------------------------------|----|
| 2017 RESOURCE GOVERNANCE INDEX         |     |                                |     |                                             |     |                                                |     |                            |     |                                      |     |                                     |   |                                             |    |
| Score: 38 / 100    Rank: 63 / 89       |     |                                |     |                                             |     |                                                |     |                            |     |                                      |     |                                     |   |                                             |    |
| LAW: 60    PRACTICE: 38                |     |                                |     |                                             |     |                                                |     |                            |     |                                      |     |                                     |   |                                             |    |
| VALUE REALIZATION                      |     |                                |     |                                             |     |                                                |     | REVENUE MANAGEMENT         |     |                                      |     |                                     |   |                                             |    |
| 53                                     |     |                                |     |                                             |     |                                                |     | 24                         |     |                                      |     |                                     |   |                                             |    |
| LICENSING                              | 62  | TAXATION                       | 60  | LOCAL IMPACT                                | 53  | STATE-OWNED ENTERPRISES                        | 38  | NATIONAL BUDGETING         | 25  | SUBNATIONAL RESOURCE REVENUE SHARING | 23  | SOVEREIGN WEALTH FUNDS              | - | VOICE AND ACCOUNTABILITY                    | 45 |
| RESERVES DISCLOSURE                    | 77  | PRODUCTION DISCLOSURE          | 67  | EIA/SIA RULES                               | 50  | SOE-GOVERNMENT TRANSFERS RULES                 | 0   | ONLINE DATA PORTAL         | 0   | SUBNATIONAL TRANSFER AGENCY RULES    | 100 | SWF DEPOSIT AND WITHDRAWAL RULES    | - | GOVERNMENT EFFECTIVENESS                    | 21 |
| CADASTER                               | 50  | EXPORT DISCLOSURE              | 0   | EIA/SIA DISCLOSURE                          | 20  | SOE-GOVERNMENT TRANSFERS DISCLOSURE            | 50  | FISCAL RULES               | 0   | SUBNATIONAL TRANSFER RULES           | 50  | SWF DEPOSIT AND WITHDRAWAL PRACTICE | - | REGULATORY QUALITY                          | 37 |
| PRE-LICENSING ROUND RULES              | 88  | COMPANY PAYMENT RULES          | 100 | ENVIRONMENTAL MITIGATION PLAN RULES         | 50  | SOE FINANCIAL REPORTING RULES                  | 33  | FISCAL RULE PRACTICE       | 0   | SUBNATIONAL TRANSFER DISCLOSURE      | 0   | SWF INVESTMENT RULES                | - | RULE OF LAW                                 | 18 |
| PRE-LICENSING ROUND PRACTICE           | 50  | COMPANY PAYMENT DISCLOSURE     | 93  | ENVIRONMENTAL MITIGATION PLAN DISCLOSURE    | 0   | SOE NON-COMMERCIAL ACTIVITY PRACTICE           | 100 | NATIONAL BUDGET DISCLOSURE | 25  | SUBNATIONAL TRANSFER AUDIT RULE      | 0   | SWF INVESTMENT PRACTICE             | - | CONTROL OF CORRUPTION                       | 29 |
| POST-LICENSING ROUND RULES             | 75  | TAXATION RULES                 | 80  | ENVIRONMENTAL COMPLIANCE RULES              | 100 | SOE FINANCIAL REPORTING PRACTICE               | 100 | NATIONAL DEBT DISCLOSURE   | 100 | SUBNATIONAL TRANSFER AUDIT PRACTICE  | 0   | SWF FINANCIAL REPORTING RULES       | - | POLITICAL STABILITY AND ABSENCE OF VIOLENCE | 57 |
| POST-LICENSING ROUND PRACTICE          | 50  | TAX AUTHORITY RULES            | 67  | ENVIRONMENTAL COMPLIANCE PRACTICE           | -   | SOE PRODUCTION DISCLOSURE                      | 0   |                            |     |                                      |     | SWF FINANCIAL REPORTING PRACTICE    | - | OPEN DATA                                   | 50 |
| FINANCIAL INTEREST DISCLOSURE RULES    | 75  | TAX AUTHORITY PRACTICE         | 0   | COMPENSATION TO LAND USERS AND OWNERS RULES | 100 | COMMODITY SALE RULES                           | 17  |                            |     |                                      |     |                                     |   | OPEN DATA INVENTORY                         | 66 |
| FINANCIAL INTEREST DISCLOSURE PRACTICE | 10  | EITI AFFILIATION AND REPORTING | 70  |                                             |     | COMMODITY SALE DISCLOSURES                     | 25  |                            |     |                                      |     |                                     |   | OPEN DATA BARMETER                          | -  |
| CONTRACT DISCLOSURE RULES              | 100 |                                |     |                                             |     | SOE JOINT VENTURES AND SUBSIDIARIES DISCLOSURE | 40  |                            |     |                                      |     |                                     |   | OPEN DATA INDEX                             | 34 |
| CONTRACT DISCLOSURE                    | 50  |                                |     |                                             |     | SOE CORPORATE GOVERNANCE PRACTICE              | 10  |                            |     |                                      |     |                                     |   |                                             |    |

|                                                |     |
|------------------------------------------------|-----|
| STATE-OWNED ENTERPRISES                        | 55  |
| SOE-GOVERNMENT TRANSFERS RULES                 | 100 |
| SOE-GOVERNMENT TRANSFERS DISCLOSURE            | 80  |
| SOE FINANCIAL REPORTING RULES                  | 33  |
| SOE NON-COMMERCIAL ACTIVITY PRACTICE           | 35  |
| SOE FINANCIAL REPORTING PRACTICE               | 96  |
| SOE PRODUCTION DISCLOSURE                      | 80  |
| COMMODITY SALE RULES                           | 0   |
| COMMODITY SALE DISCLOSURES                     | 25  |
| SOE JOINT VENTURES AND SUBSIDIARIES DISCLOSURE | 48  |
| SOE CORPORATE GOVERNANCE PRACTICE              | 50  |



# Thank you

[www.resourcegovernanceindex.org](http://www.resourcegovernanceindex.org)

Data explorer: <https://bit.ly/2yVMCFs>

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