

EITI PROGRESS REPORT 2022
GERMANY

Content

[The structure of the progress report follows the recommendations of the EITI Secretariat in the [Guidance note 5](#) to the annual progress report]

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General information on the reporting country

	Federal Republic of Germany
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1 General assessment of year's performance

“In accordance with requirement 7.4(a)(i), provide a brief summary of EITI activities undertaken in the previous year. The multi-stakeholder group may wish to outline how these activities relate to the objectives in the work plan. (EITI Guidance note 5, p. 4)”

“Geben Sie gemäß Anforderung 7.4(a)(i) eine kurze Zusammenfassung der im Vorjahr durchgeführten EITI-Aktivitäten. Die Multi-Stakeholder-Gruppe kann darlegen, wie diese Aktivitäten mit den Zielen des Arbeitsplans zusammenhängen. (EITI Guidance note 5, p. 4)”

In 2022, the members of the MSG were again initially unable to hold a meeting of the whole MSG due to the continuing pandemic. Nevertheless, the MSG did intensive work using other formats. Work in the first half of the year included, in particular, coordination on the 5th D-EITI context reporting, further development of the pilot on payment reconciliation, the resumption of communication activities following the restrictions caused by the pandemic, and dialogue with the interested public. Corresponding steps were recorded in the work plan. The MSG's activities in the second half of the year focused on the preparation and finalisation of the 5th D-EITI report and on the further development and continuation of the pilot on payment reconciliation. The MSG discussed initial steps for pre-validation. The D-EITI Secretariat has been tasked to initiate the preparation of the forms. Besides, following discussion in the MSG, a new topic entitled “Contribution of domestic natural resources extraction to security of supply, including Germany's role in the international natural resources market” was included in the report.

When the COVID-19 restrictions were eased, D-EITI was able to participate in no less than two major conferences on natural resources that were held in Berlin in the second half of 2022 ([Rohstoffgipfel '22 des AK Rohstoffe \(Summit 22 on Natural Resources of the Natural Resources Working Group\)](#) and the [7. BDI Raw Materials Congress \(7th BDI Congress on Natural Resources\)](#)). The contributions made by D-EITI to these events were supported by the Parliamentary State Secretary in the Federal Ministry for Economic Affairs and Climate Action and Special Representative of the German government for the implementation of the EITI in Germany, Dr. Franziska Brantner.



Figure 1 Parliamentary State Secretary in the Federal Ministry for Economic Affairs and Climate Action and Special Representative of the D-EITI, Dr. Franziska Brantner, with MSG Civil Society Member Prof. Dr. Edda Müller at the 7th BDI Congress on Natural Resources)



Figure 2 Members of the D-EITI MSG at the 7th BDI Congress on Natural Resources (from left to right: Dr. Martin Wedig, Josephine Koch, Prof. Dr. Edda Müller, Matthias Wachter)



Figure 3 Parliamentary State Secretary in the Federal Ministry for Economic Affairs and Climate Action and Special Representative of the Federal Government for the Implementation of the EITI in Germany, Dr. Franziska Brantner (2nd from right) at the Summit 22 on Natural Resources of the Natural Resources Working Group

2 Assessment of performance against targets and activities set out in the work plan

“Provide an assessment of progress with achieving the objectives set out in its work plan (Requirement 1.5), including the impact and outcomes of the stated objectives (requirement 7.4(a)(iv)). The multi-stakeholder group may wish to

- List the objectives and targets set out in the work plan, and indicate progress in achieving these.
- Outline the activities in the work plan, including a description of whether these activities were fulfilled. Include any further activities that were not foreseen in the work plan but contributed to the wider targets.” (EITI Guidance note 5, p. 4)

“Eine Bewertung der Fortschritte bei der Verwirklichung der im Arbeitsplan festgelegten Ziele vorzulegen (Anforderung 1.5), einschließlich der Auswirkungen und Ergebnisse der angegebenen Ziele (Anforderung 7.4(a)(iv)).

Die Multi-Stakeholder-Gruppe kann Folgendes tun

- die im Arbeitsplan festgelegten Ziele und Vorgaben auflisten und die Fortschritte bei der Erreichung aufzeigen.
- die im Arbeitsplan vorgesehenen Aktivitäten auflisten und beschreiben, ob diese Aktivitäten erfüllt wurden. Geben Sie alle weiteren Aktivitäten an, die im Arbeitsplan nicht vorgesehen waren, aber zur Erreichung der übergeordneten Ziele beigetragen haben.” (EITI Guidance note 5, S. 4).”

The targets defined in the MSG work plan, followed by the activities that were carried out to achieve them are described below.

Target 1 - Report: Producing timely reports that are understandable and accessible to the general public and based on a transparent, open and innovative EITI process in Germany.	
Subtarget	Progress / Activities
1.1. Timely reporting	The reporting on the 5th D-EITI report was published on time on 22 December 2022 on the website of the D-EITI and sent to the international EITI Secretariat. All disclosure requirements according to EITI Standard 2019, including the disclosure of payment data of companies participating in D-EITI, were met. The qualitative assessment measures to ensure the correctness of payment flows were again intensified and carried out on the basis of the two-stage, risk-based approach (pilot on payment reconciliation). The respective reports, the work report of the Independent Administrator, and a new special chapter on the contribution of the extraction of domestic natural resources to security of supply and Germany's role in the international natural resources market were published as a supplementary overall report package in April 2023 and also sent to the international secretariat. All reports are made available online in both German and English.
1.2. Innovative process	For the 5th D-EITI report, the MSG has decided to include the new special topic “Contribution of domestic natural resources extraction to security of supply, including Germany's role in the international natural resources market”. Thus, for the fifth report, the MSG has also addressed an additional topic that is not required by the standard and is

	<p>particularly relevant in the public debate due to the current geopolitical situation.</p> <p>In addition, the MSG approved the renewed enhancement of the pilot on payment reconciliation (collection of more information on trade tax payments received by the government from extractive companies), contributing to innovation in EITI reporting. The respective QA measures taken to ensure the correctness of payment flows were completed in April 2023 after consultation with the International EITI Secretariat.</p>
1.3. Transparent process	The minutes and agendas of all MSG meetings, as well as concepts and strategies developed by the MSG, are publicly available on the D-EITI website .
1.4. Understandable report	In addition to the update of data, the MSG worked again on improving the texts to enhance readability. This process is to be continued to keep the sometimes complex content accessible to a broad public. The MSG has decided to publish the 5th D-EITI report and, if available, more recent data than that of the 2020 reporting year on the reporting portal. The reporting portal https://rohstofftransparenz.de/en/ is updated accordingly on an ongoing basis.
Assessment of target achievement: The activities outlined above resulted in the achievement of the targets and subtargets detailed in the work plan.	

Target 2 – Broad discussion on the natural resources sector: Processing contextual information concerning the German extractive sector, with a view to promoting a broad debate on resource policy that includes aspects of (economic, environmental, and social) sustainability.	
Subtarget	Progress
2.1 Promoting a broad discussion on natural resources policies	<p>Further measures were taken to implement the communication strategy (CS). The communication packages (including a collection of slides on D-EITI in German and English, target group-specific factsheets) were updated and made available to the MSG. The content management system of the D-EITI website has been optimized and the content regularly updated. The number of followers on Twitter was further increased.</p> <p>The metadata associated with the D-EITI data has been published on GovData published.</p>
2.2 Aspects of sustainability are included in the context report	<p>For the 5th D-EITI report, the special topics dealing with human intervention in nature and landscape, renewable energies, employment and social affairs, and the development of a circular economy (including recycling), which are summarised in the chapter on sustainability in the extraction of natural resources, were updated. The chapters on the effects of energy transition and the structural change on the extraction of natural resources in Germany and environmental protection, renaturation, recultivation included in the 4th D-EITI report were also updated.</p> <p>The chapter “Contribution of domestic natural resources extraction to security of supply, including Germany's role in the international natural resources market”, which has been newly prepared for the fifth report,</p>

	also deals with important sustainability aspects such as the development of a circular economy and recycling.
Assessment of target achievement: The updates of special topics help to increase the relevance of the D-EITI reports. The resumption of face-to-face events that became possible due to eased COVID-19 restrictions strengthened the multiplier function of MSG members.	

Target 3 – Added value of the D-EITI and harmonisation with disclosure requirements under German commercial law (§ 325 et seq., 341q et seq. HGB): Achieving an understandable, commensurate and increasingly comprehensive reporting to the general public in compliance with the EITI Standard and in harmony with the EU Accounting and Transparency Directive as transposed into national law. Besides, added value shall be generated.

Subtarget	Progress
3.1 Proportionate reporting that is gradually expanded and creates added value	The MSG decided to update special topics in the fifth report to add value to the national context. In addition, a contribution to domestic supply security was prepared. The MSG discussed the report and used this results of the discussion (or the requirements of the EITI Standard) as the basis for its 2022 work plan and its 2022 work plan monitoring that was used as the basis for the 2023 work plan.
3.2 Harmonisation of D-EITI with § 325 et seq., § 341q et seq. HGB	The payment reports according to the German Commercial Code HGB were evaluated by the Independent Administrator (IA), presented to the MSG and the payment data was included in the 5th D-EITI report accordingly.

Assessment of target achievement: To create added value, the new special chapter on domestic supply security was developed and adopted by the MSG. It was also decided to update special topics relevant to the German context: e.g. renewable energies, the development of a circular economy (including recycling), the effects of the energy transition and structural change on the extraction of natural resources in Germany, social factors or excise duties (see objective 2). Similarly, the IA's recommendations from the 4th D-EITI report were discussed and new recommendations for the D-EITI process were formulated in the 5th D-EITI report (see section 4). According to these recommendations, a standardised process should be established for information gathering and risk assessment. On this basis, the multi-stakeholder group unanimously adopted the decision on the quality assurance procedure for the 5th D-EITI report on 19 May 2022. It remains a challenge to keep the effort associated with the D-EITI process in proportion to the benefits achieved through the process. Linking the EITI requirements with the regular processes of the German administration (systematic disclosure) could save capacities in the future, which could be used to work on topics relevant to the German discussion. The MSG regularly reviews opportunities for systematic disclosure (see target 7).

Target 4 – EITI as a global standard: Contributing to the further development of the EITI Standard and its implementation and acceptance as a de-facto global standard, to support the global striving for transparency and accountability as well as the fight against corruption in the extractive sector.

Subtarget	Progress
4.1 Further development of the standard	The MSG decided to include the new special chapter on the security of supply of natural resources as a timely addition to the report, to update innovative topics in the context report of the 5th D-EITI report, and to continue the update of the alternative procedure for quality assurance of the correctness of payment flows (pilot on payment reconciliation). The D-EITI thus goes beyond the EITI Standard. New topics of the EITI Standard adopted in 2019 have already been addressed and covered voluntarily by D-EITI before and continue to be

	<p>addressed, e.g. environmental reporting.</p> <p>On the initiative of the EITI Secretariat, the EITI implementing countries were informed about the EITI Board discussions on future standard changes (in particular on the topics of energy transition, anti-corruption and gender) and asked for assessments on feasibility. The D-EITI MSG will intensively deal with the implementation of the EITI Standard 2023 after its publication and thus contribute to its further development.</p> <p>D-EITI also participates in the further development of the EITI Standard through participation in EITI Board Meetings, the World Conference and exchange with the international secretariat, partner countries and other stakeholders.</p> <p>In particular with regard to the above-mentioned alternative quality assurance procedure, the D-EITI is in constant exchange with the International EITI Secretariat and other EITI implementing countries and also reports to the EITI Board when requested.</p>
<p>4.2 Acceptance as a global standard</p>	<p>Individual D-EITI MSG members and the D-EITI Secretariat on behalf of the D-EITI MSG are engaged in support of the EITI outreach strategy. They also entered into exchanges with other resource-rich countries in 2022 to share lessons learned from EITI membership and, where appropriate, generate interest in joining.</p> <p>At the government level, the topic of EITI/D-EITI is included in the preparation of delegations and other official trips and thus regularly raised with partner governments and international stakeholders. Government representatives in the MSG also regularly talk about this topic in lectures (e.g., in universities).</p>
<p>Assessment of target achievement: The D-EITI MSG implemented its goal of contributing to the further development of the EITI as a global standard in 2022. The exchange of experiences on the implementation of further developments will remain important. Despite the increasing number of EITI implementing countries, the application and acceptance of the EITI Standard should be further promoted. Despite the positive contribution that could be made in 2022, the target remains relevant.</p>	

<p>Target 5 – Sharing experiences: Sharing experiences from the multi-stakeholder process, in particular with respect to participatory democracy, citizen engagement and knowledge transfer, and also with regard to EITI implementation in a state with a federal structure.</p>	
	<p style="text-align: center;">Progress</p> <p>A regular exchange between the D-EITI MSG Chair (Federal Ministry for Economic Affairs and Climate Action) in its role as EITI implementing country and the BMZ (Federal Ministry for Economic Cooperation and Development) in its role as EITI supporting country also took place in 2022. Experiences from the D-EITI implementation were made available and the German position was coordinated at government level.</p> <p>Experiences with D-EITI as a multi-actor partnership are shared through the D-EITI Secretariat via the Partnerships 2030 platform.</p> <p>D-EITI is also continuing to exchange information with the Open</p>

	<p>Government Partnership (OGP).</p> <p>D-EITI has regularly shared its experience with various aspects of implementation with the secretariats of the EITI implementing countries in Europe, including the Netherlands, UK, Norway, Ukraine, Albania, and Armenia. An exchange of experiences with D-EITI was requested from Mongolia. The MSG of D-EITI plans to come together with representatives of the NL-EITI MSG for an exchange in Berlin in 2023.</p> <p>All stakeholders regularly report on the dissemination of information on D-EITI/EITI to the extended networks of the respective stakeholder groups within the framework of the coordinators' meetings and the MSG meetings.</p>
<p>Assessment of target achievement: Sharing of lessons learned occurred in 2022 through stakeholders and the D-EITI Secretariat in both national and international contexts.</p>	

<p>Target 6 – Credibility: Substantially enhancing Germany's credibility as regards its political and financial support for EITI.</p>	
Subtarget	Progress
-	<p>Representatives of the D-EITI Chair, the D-EITI Secretariat and the D-EITI MSG participated in the International Board Meetings in 2022, both in person and virtually, and used these to exchange information with EITI partner countries.</p>
<p>Assessment of target achievement: The sustained implementation of the D-EITI demonstrates the credibility of Germany's commitment to the EITI. Participation in the EITI Board Meetings and the implementation of a pilot on payment reconciliation also offered the opportunity to introduce new topics on the international agenda that are important for D-EITI in 2022.</p>	

<p>Target 7 – Ongoing implementation and public relevance: Ensuring the ongoing implementation of the D-EITI with the intended multi-stakeholder model while building capacity for broad-scale public debate.</p>	
Subtarget	Progress
<p>7.1 Ongoing implementation of the MSG model</p>	<p>The MSG again discussed ways to transfer the EITI requirements for the context report into the regular processes of the German administration (systematic disclosure). An annual update process for the publication of all mining rights granted by all German Federal States has been established by the Mining Committee of the Federal Government and the Federal States in 2022. The topic of systematic disclosure was also included in the work plans for 2020, 2021, 2022 and 2023.</p> <p>All stakeholder groups provide permanent resources, including resources, for the implementation of the EITI in Germany.</p> <p>Since the Federal Government is responsible for implementation, they provide additional financial resources. These will be used for the work of the D-EITI Secretariat, the commissioning of an Independent Administrator and for financial support for the participation of civil society organisations in the D-EITI process.</p>

Subtarget 7.2 Building capacity for broad-scale public debate	See subtarget 2.1.
Assessment of target achievement: D-EITI stakeholders have reliably worked on the continuation of D-EITI in 2022 and have pledged their support in the future.	

3 Assessment of performance against EITI requirements

“Provide an assessment of progress in meeting and/or maintaining compliance with each of the EITI requirements (requirement 7.4(a)(ii)). This should include any actions undertaken to prepare for implementation of the EITI Standard, including addressing issues such as revenue management and expenditure (5.3), transportation payments (4.4), discretionary social expenditures (6.1), ad-hoc sub-national transfers (5.2), beneficial ownership and progress against the roadmap (2.5), and contracts (2.4).” (EITI Guidance note 5, p. 4)

“Legen Sie eine Bewertung der Fortschritte bei der Erfüllung und/oder Aufrechterhaltung der Einhaltung der einzelnen EITI-Anforderungen vor (Anforderung 7.4(a)(ii)). Dies sollte alle Maßnahmen einschließen, die zur Vorbereitung auf die Umsetzung des EITI-Standards ergriffen wurden, einschließlich der Behandlung von Themen wie Einnahmenverwaltung und Ausgaben (5.3), transportation payment (4.4), discretionary social expenditures (6.1), ad-hoc sub-national transfers (5.2), beneficial ownership and progress against the roadmap (2.5) und Verträge (2.4).” (EITI Guidance note 5, p. 4)

Requirement	Progress
<p>1.1 Government commitment</p>	<p>The government continues to stand by its public statement of its intention to be a member of the EITI. In 2022, the German government appointed Dr. Franziska Brantner, Parliamentary State Secretary in the Federal Ministry for Economic Affairs and Climate Action, as the new D-EITI Special Representative, a new senior figure for the implementation of EITI. The chairman of the MSG, Mr. Kluttig, is head of department for industrial policy at the Federal Ministry for Economic Affairs and Climate Action. The Vice Chairman, Dr. Hoth, is head of division at the Federal Ministry for Economic Affairs and Climate Action.</p> <p>The government has collected and collated data on natural resources relevant to D-EITI. In addition, the government implemented the updates of and additions to the reports as agreed in the MSG and conducted the required comprehensive discussions to reach an agreement at the level of the Federal Government and the Federal States. The government chaired and prepared all meetings of the MSG. A sufficient number of government representatives are present at meetings to ensure a quorum in accordance with the MSG ToR.</p> <p>It also regularly participates in D-EITI working groups. Representatives of the government (Ministry for Economic Affairs and Climate Action) were also present at congresses organised by the private sector and civil society on natural resources, where they provided information on D-EITI.</p> <p>The government is providing funding for the implementation of EITI totalling up to €7.99 million for the period from 23 June 2014 through to 31 May 2024.</p> <p>Of this, a total of €115,000 was available to civil society in 2022 (see 1.3.).</p>
<p>1.2 Company engagement</p>	<p>The private sector is actively engaged in the D-EITI process, proposing new topics and playing a key role in implementing the topics for reporting. The private sector has worked with the government to draft the new chapter on the security of supply of natural resources. A sufficient number of company representatives from all relevant sectors of the extraction of natural resources in Germany are present at the</p>

	meetings to constitute a quorum according to the ToR of the MSG. Company representatives participated in all decisions of the MSG. The private sector also regularly participates in D-EITI working groups. The companies participating in D-EITI made disclosures in accordance with the EITI reporting requirements, which are harmonised with the European requirements transposed into national law.
1.3 Civil society engagement	Civil society contributes specifically at events organised by other stakeholders and at its own events or through its own communication on D-EITI relevant topics to the public debate. Civil society takes an active role with regard to the inclusion and implementation of innovative topics. Civil society is represented in the MSG by five different organisations who provide a sufficient number of representatives to ensure quorum in accordance with the MSG ToR. Civil society also regularly participates in D-EITI working groups.
1.4 Multi-Stakeholder Group	The process of establishing the MSG and the invitation to participate are documented in the candidacy application. Civil society, private sector companies and government appoint their own representatives. The number of MSG representatives from each stakeholder group (5-5-5) is determined by the MSG ToR. Information on funds allocated to civil society is made transparent. Rules of the decision-making process are part of the ToR. Minutes are written, commented on, approved and published at each MSG meeting.
1.5 Work plan	The MSG monitored the achievement of targets in the 2021 work plan and used the monitoring results as a basis to discuss, adopt and publish the 2022 work plan.
2.1 Legal framework and fiscal regime	Chapters 3 and 4 of the 5th D-EITI report (2020 reporting period) contain a summary description of the German fiscal regime, including the degree of fiscal decentralisation, an updated overview of the relevant laws and regulations, information on the tasks and responsibilities of the relevant government agencies, and descriptions of corruption prevention regulations in Germany. The collection of all major payment flows from the extractive industries (corporate income tax, mine site and extraction royalties, trade tax, lease payments) is presented and explained in detail.
2.2 Contract and license allocations	The 5th D-EITI report (2020 reporting period) contains a summary description of licensing in chapter 3 and shows the status for 2022. The extraction of natural resources is regulated, among other things, by the Federal Mining Law (BBergG). The mining authorities of the Federal States implement the BBergG and also bear the responsibility for the authorisation and supervision of mining activities (depending on the natural resources in question). The Federal States have passed some mining regulations of their own in order to meet their specific requirements and characteristics of areas not covered by the BBergG. The right to explore for or extract mineral resources in accordance with the BBergG can only be granted for free-to-mine mineral resources (mining rights). The allocation of licenses is regulated by law and licenses can be applied for at the mining authorities of the Federal States. The allocation of licenses is a two-stage process. Once the mining rights have been granted, the actual extraction still requires the approval of an operating plan submitted by the applicant. The procedures and the re-

	<p>quirements to be met are specified in the BBergG and in the regulations of the Federal States. The allocation of licenses is not subject to a bidding process but to a clearly defined legal procedure. Therefore, a detailed explanation of the procedure for each license issued during the reporting period is obsolete. Any explanation would only repeat the individual steps of this procedure. In addition, the details of the mining rights can be inspected by anyone upon application to the competent mining authority (§ 76(3) BBergG).</p>
2.3 Register of licenses	<p>The 5th D-EITI report (2020 reporting period) contains a summary description of the license registers in chapter 3. The report highlights the reform of § 76(3) BBergG, which was initiated in line with the EITI and allows general inspection of license registers upon request without proof of a legitimate interest.</p>
2.4 Contracts	<p>The conditions under which companies extract natural resources are not negotiated between companies and government agencies, as the conditions for prospecting and extracting mineral resources are set out in laws of general application and these are implemented by the relevant competent authorities. This licensing practice based on relevant legal requirements differs significantly from the private-law contracts used in many other countries. In addition, however, there is also the possibility of supplementary agreements under private law, e.g. on additional conditions in connection with the mining of natural resources. In individual cases, contractual agreements on the confidentiality of contractual content may prevent the central recording or publication of these contracts.</p>
2.5 Beneficial ownership	<p>The 5th D-EITI report (2020) contains a summary description on the topic of beneficial ownership in chapter 3 that shows the status for 2022. In Germany, some information on the beneficial owner can be found in publicly-accessible registers, such as the trade, cooperative, partnership, association or enterprise registers. In addition to the existing registers, a transparency register was established for the implementation of the Money Laundering Directive (EU) 2015/8494 of 26 June 2017. The transparency register contains beneficial owner data in the form of an Internet portal (www.transparenzregister.de). Information about beneficial owners in the transparency register can be accessed by government authorities within the scope of their statutory tasks, persons and bodies that are under the legal obligation to combat money laundering in the performance of their due diligence obligations and, since 1 January 2020, in accordance with the requirements of the amending Directive to the 4th EU Money Laundering Directive (Directive [EU] 2018/843), by the general public (§ 23(1) GwG).</p> <p>In this context, a judgment of the European Court of Justice of 22 November 2022 in the joined cases C-37/20 and C-601/20 provides that the rule of the EU Money Laundering Directive, which requires in the whole EU that information on the beneficial owners of companies or other legal persons entered in the transparency register be accessible to all members of the public in all cases, is invalid. In view of the aforementioned ECJ decision, the right of inspection under § 23 (1) sentence 1 no. 3 GwG (German Anti-Money Laundering Act) is limited to persons with a legitimate interest in accordance with EU law. According to the ECJ, a legitimate interest is generally deemed to exist if there is a sufficient connection to the topic of money laundering (e.g.</p>

	<p>also in the case of NGOs or the press). At the government's request, the Independent Administrator of the D-EITI was able to demonstrate such a legitimate interest for inspection as a member of the public in 2022. Therefore, the Independent Administrator was able to view all entries of the companies participating in the D-EITI at the transparency register as well as to check them for plausibility. The Independent Administrator certified the plausibility of all registered information in April 2023. In 2023, the MSG discussed whether the current situation is in compliance with the EITI standard and considered further options for disclosure of information.</p>
2.6 State participation	<p>Direct, majority state-owned stakes in extractive companies do not generate significant state revenues and are therefore not considered for D-EITI purposes. The state holds a majority financial stake in only one company of the 43 companies or groups of companies identified. There are financial participations of the state that exceed the value of €100,000. However, these are not majority state-owned shares. No consensus has yet been reached in the MSG on their inclusion in the D-EITI report.</p>
3.1 Exploration	<p>The 2nd chapter of the 5th D-EITI report (2020) provides an overview of the extractive industry in Germany. The report refers to exploration activities (license register) in chapter 3. As a result of the amendment to the German Federal Mining Act initiated in the spirit of the D-EITI, information on mining rights is available for public inspection. In addition, the report refers to the publication "Crude oil and natural gas in the Federal Republic of Germany" (Erdöl und Erdgas in der Bundesrepublik Deutschland), which contains all mining rights in the hydrocarbons sector (p. 38). Chapter 2a of the report states that there have been no significant new discoveries of natural gas in recent years (p. 16).</p>
3.2 Production	<p>Chapter 2b provides an overview of total extraction of natural resources by volume and estimated value. The www.rohstofftransparenz.de data portal contains an interactive map of natural resources where production data can be filtered by type of resource and Federal State. The production data presented in the report comes from a variety of sources. To this end, endnote ii provides a detailed explanation of the sources of each raw material.</p>
3.3 Exports	<p>Chapter 5d shows the export quantity and value by type of resource. Endnote vii provides an overview of the sources of the export data.</p>
4.1 Comprehensive disclosure of taxes and revenues	<p>The definition of materiality was defined in accordance with the EU Accounting Directive, which has been transposed into national law. The MSG has decided to disclose corporate income tax, trade tax, mine site and extraction royalties, lease payments and infrastructure improvement payments in the D-EITI report. For trade tax, a materiality threshold was set for the fifth report, which includes all payments to the 20 municipalities that received the highest trade tax revenues per government entity (but at least all revenues above €2 million per government entity). This allowed more payment information on trade tax revenues to be disclosed compared to previous D-EITI reports.</p> <p>Chapter 4 of the 5th D-EITI report provides explanations on the important revenues from the natural resources sector. Chapter 10 explains special features relating to corporate income tax. The report</p>

	<p>contains a description of the payment flows, and chapter 6 of the 5th D-EITI report explains in general terms government subsidies and tax incentives (see also 8th MSG protocol). The payment flows associated with income tax, trade tax, and mine site and extraction royalties are subjected to an alternative quality assurance procedure (see chapter 10b), which replaced the payment reconciliation procedure since the 3rd D-EITI report.</p> <p>The MSG has decided to include companies in the lignite, oil, natural gas, potash, salts and quarried materials sectors that meet the criteria of the EU Accounting Directive, which has been transposed into national law. For the 5th D-EITI report, 18 companies or groups of companies have agreed to participate in the reporting and voluntarily disclose their payment flows. In terms of annual production volume, these companies cover over 98% of the oil, natural gas, lignite and potash sectors. The coverage of each sector is:</p> <ul style="list-style-type: none"> • 99.5% lignite, • 95.6% petroleum, • 99.4% natural gas • 97.5% potash • N/A rock salts • 99.7% boiling salts <p>Coverage in the quarried materials sector was not defined because the sector has special characteristics, which are described in chapter 10 of the D-EITI report. All government entities that received payments from participating companies have reported these payments.</p> <p>Chapter 5 of the 5th D-EITI report lists all revenues from the extractive sector and also explains the difficulties in separating the extractive sector from other sectors of the German economy.</p> <p>For the 5th D-EITI report, the information basis for the risk-based two-stage quality assurance in the area of trade tax revenues was deepened once again. For the empirical collection of specific information, the government also conducted a survey of 20 municipalities.</p>
4.2 Sale of the state's share of production or other revenues collected in kind	The sale of the state's share of production or other revenues collected in kind are not relevant for D-EITI in Germany (cf. 5th D-EITI report for 2020, p. 142).
4.3 Infrastructure provisions and barter arrangements	The MSG included a paragraph explaining payments for infrastructure improvements in the 5th D-EITI report (see 5th D-EITI report for 2020, p. 142).
4.4 Transportation revenues	Revenues from the transport of natural resources are not relevant for D-EITI reporting (see comments in the 5th D-EITI report for 2020, p. 142).
4.5 Transactions related to state-owned enterprises	Government stakes in companies in the natural resources sector play only a minor role in Germany (see 5th D-EITI report for 2020, p. 143).
4.6 Sub-national payments	Payments for trade tax and, if applicable, for leases go directly to government agencies at the municipal level which is a "sub-national"

	level. There are no other significant cash flows from the extractive industry to (in this sense) “sub-national” agencies (see D-EITI report for 2020, p. 143).
4.7 Level of disaggregation	D-EITI implements the level of disaggregation in accordance with the legal definition in § 341r no. 5 HGB. Payments to government entities are accordingly reported per project where possible (for further details, see 5th D-EITI report for 2020, chapter 4b).
4.8 Data timeliness	Data for 2020 was published with the 5th D-EITI report for 2020 in 2022.
4.9 Data quality and assurance	The payment report was prepared by an Independent Administrator engaged in accordance with the International EITI Secretariat's requirements for terms of reference and the MSG's resolutions. Chapter 10 of the D-EITI report for 2020 describes the data quality of government entities and companies. For the 5th D-EITI report, the alternative quality assurance procedure first presented in the 3rd D-EITI report was further developed and continued instead of the payment reconciliation procedure (see chapter 10b).
5.1 Distribution of extractive revenues of industry	As per § 3 of the German Tax Code, the tax revenues from the extraction of natural resources are not earmarked for a specific purpose; the persons responsible for the Federal Budget, the Federal State budget and the municipal budgets decide how they will be used. The amount and use of revenues and expenditure are disclosed in detail every year.
5.2 Sub-national transfers	The distribution between the Federal Government, the governments of the Federal States and the municipalities is explained in chapter 4: The federal structure of the Federal Republic of Germany is reflected in the distribution of tax revenues. The level which has the authority for the revenues, i.e. how they are distributed between the Federal Government, the Federal States and the municipalities is regulated by Article 106 of the Basic Law (GG). Here a distinction is made between so-called “community taxes” and taxes which flow in their entirety to the municipalities, Federal States or Federal Government. In the case of community taxes, the revenues are shared between the Federal Government and the Federal States. Relevant examples of community taxes in resource extraction are corporate income tax and personal income tax. The Federal Government and the Federal States are each allocated 50% of corporate tax revenues. Trade tax, on the other hand, is purely a municipal tax. As the most important source of income of the communities, it is allocated to the individual municipalities in which the relevant operating facilities are situated. The Federal Government and the Federal States’ share in the revenues of the trade tax through a specific allocation and redistribution mechanism. With regard to the revenues from extraction royalties, redistribution between the Federal Government and the Federal States also takes place. The revenues flow into inter-state financial equalisation. The Federal Government is entitled to the revenues from electricity and energy taxes.
5.3 Revenue management and expenditures	In Germany, federal budget data are public to facilitate access to information on the use of tax revenues: <ul style="list-style-type: none"> • www.offenerhaushalt.de/ • www.bundeshaushalt.de

6.1 Social and environmental expenditures by extractive companies	Social security contributions are not a specific tax for the extractive industry. Therefore, they were not included in the 5th D-EITI report (for further details, see 5th D-EITI report for 2020, chapter. 8e, p. 142). Discussions continued in the MSG on environment-related payments such as electricity and energy taxes, water abstraction charges, and compensation payments for interventions in nature.
6.2 Quasi-fiscal expenditures	There are no quasi-fiscal expenditures (see 5th D-EITI report for 2020, p. 141).
6.3 The contribution of the extractive sector to the economy	Chapter 5 of the 5th D-EITI report sets out the contribution of the German extractive industry to GDP, government revenues, sales and exports. An interactive map shows the distribution of natural resources in Germany: https://rohstofftransparenz.de/en/
6.4 Environmental impact of extractive activities	The explanations in chapter “Managing human intervention in nature and landscape” (chapter 7.1) of the 5th D-EITI report were updated and extended by chapter 7.2 “Environmental protection, renaturation, recultivation”.
7.1 Public debate	<p>The measures defined to implement the communication strategy (CS) were revised and prioritised with regard to the experiences made after the first report. The MSG later adopted and published an updated Short version of the CS. The communication packages (including a collection of slides on D-EITI in German and English) were updated and made available to the MSG. The D-EITI website was updated regularly. The updating and completion of the chapters on special topics help to increase the relevance of the D-EITI reports.</p> <p>For the publication of the 5th D-EITI report, high-profile measures were agreed in the MSG, including press releases, and promotion via social media. The Federal Ministry of Economic Affairs and Climate Action held a press briefing on the 5th D-EITI report with the Parliamentary State Secretary and Special Representative of the Federal Government for the Implementation of the EITI in Germany, Dr. Franziska Brantner, with the participation of stakeholder representatives.</p> <p>The metadata associated with the D-EITI data has been published on GovData.</p> <p>The 5th D-EITI report is available:</p> <ul style="list-style-type: none"> • as PDF in German and English • as a short version in German and English • on the http://www.rohstofftransparenz.de interactive data portal in an easy-to-understand but comprehensive layout. <p>The MSG has published an Open Data concept published in German and English. The concept defines ten D-EITI principles for open data and also provides detailed recommendations for implementation. All data is freely available according to the CC BY 4.0 license. The data of the 5th D-EITI report is thus available in the open data format in granular and aggregated form.</p>
7.2 Data accessibility and open data	The MSG has made the D-EITI report machine-readable since the second edition; the files are publicly available as open data (.csv, .xlsx). The summary data template was published on the International

	<p>Secretariat website in 2022. The MSG regularly reviews opportunities for systematic disclosure. On the subject of systematic disclosure: All disclosures are published on rohstofftransparenz.de , and pursuant to § 341w HGB, all (Group) payment reports are published in the German Federal Gazette at bundesanzeiger.de.</p>
7.3 Recommendations from EITI implementation	<p>The MSG continues to work on implementing the IA's recommendations from the second, third and fourth D-EITI reports.</p>
7.4 Review of the outcomes and impacts of EITI implementation	<p>The MSG publishes annual progress reports. The annex to this report is the D-EITI work plan, which provides a detailed overview of the MSG's activities. The objectives are divided into sub-objectives in the work plan, to which the activities and indicators for evaluating the achievement of the objectives are assigned. This assessment of target achievement enables the MSG to regularly exchange information on the status of target achievement and to adjust the work plan if necessary. In this way, the MSG makes an important contribution to fulfilling requirement 7 of the standard.</p>
Gender	<p>The MSG discusses its composition at irregular intervals with a view to achieving balanced gender representation (cf. requirement 1.4)</p> <p>The D-EITI Secretariat regularly exchanges information with projects on commodity governance and gender funded by the Federal Ministry for Economic Cooperation and Development.</p> <p>The D-EITI report breaks down employment figures by gender. Further gender-sensitive data are presented in the chapter on employment and social affairs.</p>

4 Overview of the multi-stakeholder group's responses to the recommendations from reconciliation and validation

“In accordance with requirement 7.4 (a)(iii), provide an overview of the multi-stakeholder group’s responses to and progress made in addressing the recommendations from reconciliation and Validation in accordance with requirement 7.3. The multi-stakeholder group is required to list each recommendation and the corresponding activities that have been undertaken to address the recommendations and the level of progress in implementing each recommendation. The MSG might wish to draw on the overview of progress with EITI reporting related recommendations compiled by the Independent Administrator. Where the government or the multi-stakeholder group has decided not to implement a recommendation, it is required that the multi-stakeholder group documents the rationale in the annual progress report.

The multi-stakeholder group may also wish to identify how the work plan has been updated to incorporate the recommendations.” (EITI Guidance note 5, p. 5)

“Geben Sie gemäß Anforderung 7.4 (a)(iii) einen Überblick über die Antworten der Multi-Stakeholder-Gruppe auf die Empfehlungen aus der Abstimmung und Validierung gemäß Anforderung 7.3 und die dabei erzielten Fortschritte. Die Multi-Stakeholder-Gruppe wird gebeten, jede Empfehlung und die entsprechenden Aktivitäten aufzulisten, die zur Umsetzung der Empfehlungen unternommen wurden, sowie den Stand der Umsetzung jeder Empfehlung anzugeben. Die MSG könnte sich auf die vom unabhängigen Verwalter erstellte Übersicht über die Fortschritte bei der EITI-Berichterstattung zu den Empfehlungen stützen. Wenn die Regierung oder die Multi-Stakeholder-Gruppe beschlossen hat, eine Empfehlung nicht umzusetzen, muss die Multi-Stakeholder-Gruppe die Gründe dafür im jährlichen Fortschrittsbericht dokumentieren.

Die Multi-Stakeholder-Gruppe kann auch angeben, wie der Arbeitsplan aktualisiert wurde, um die Empfehlungen einzubeziehen.” (EITI Guidance note 5, p. 5)

IA’s recommendation (5th D-EITI report, p. 138)	Proposed measures
Future of payment reconciliation	
Notes on the pilot on payment reconciliation and alternatives to the current standard procedure.	This recommendation was included in the 2022 work plan. The MSG discussed the IA's proposals in several meetings in early 2022 and, on this basis, decided on a concept for the continuation of the alternative procedure for quality assurance.
Validation recommendations (from 1st validation)	Measures of the MSG
For an overview of all validation recommendations and standard changes and corresponding MSG actions, see Appendix 1.	

5 Implementation of beneficial ownership disclosure plans

“Describe and evaluate the implementation of the beneficial ownership roadmap or beneficial ownership activities outlined in the work plan (requirement 7.4(a)(vi)).” (EITI Guidance note 5, p. 6)

“Beschreiben und bewerten Sie die Umsetzung des Fahrplans für wirtschaftliches Eigentum oder die Aktivitäten, die im Arbeitsplan dargelegt sind (Anforderung 7.4(a)(vi)).” (EITI Guidance note 5, p. 6)

Due to the requirements of the ECJ judgment of 22 November 2022, the D-EITI faces a challenge with regard to the standard-compliant publication of information on beneficial owners of extractive companies in Germany. According to the current legal situation, a legitimate interest to inspect the transparency register must be proven pursuant to the European Money Laundering Directive and the national regulations issued for its implementation. For persons with a sufficient connection to money laundering (e.g. NGOs, press), such an interest is recognised. At the government's request, the Independent Administrator for the companies participating in D-EITI also accessed the transparency register. The IA's findings were published on the reporting portal in the [Beneficial Ownership](#) section. Furthermore, it is not legally permissible to make the extracts from the transparency register available to the entire public without further preconditions, as this would undermine the requirements of the ECJ. The MSG has taken note of this, discussed it and will explore the possibilities of alternative or additional disclosure within the legal framework during 2023. The work plan for 2023 will be adjusted accordingly.

6 Total costs of implementation

The D-EITI work plan provides an overview of the costs of D-EITI implementation. The lead ministry (The Federal Ministry of Economic Affairs and Climate Action) is providing a total of €7.99 million for the EITI implementation in Germany from 23 June 2014 to 31 May 2024. This includes the costs of the Independent Administrator, additional financial support to civil society, the D-EITI Secretariat and all measures agreed and implemented in the work plan (communication, website, translations, events, support etc.). Additional costs were incurred by the private sector, the federal ministries and the Federal States for expenses in connection with staff deployment and D-EITI-related activities, which cannot be precisely quantified.

7 Details of MSG membership during the period (including details of the number of meetings held and attendance record)

A total of five MSG meetings (including 7th and 8th special meetings) were held in 2022. A quorum was present at all meetings in accordance with the D-EITI Rules of Procedure. Overviews of MSG attendance at each meeting were prepared and published. In all three stakeholder groups, there were personnel changes of MSG members or deputies in 2022. All government agencies, companies, private sector associations, and civil society member organisations that were represented before in the MSG continued to be represented without exception in the D-EITI MSG in 2022.