

Doha, February 18th, 2009

**Supporting Statement by Dr. Cobus de Swardt, Managing Director,
Transparency International**

Transparency International, the global civil society organisation leading the fight against corruption, supports the multi-stakeholder approach of EITI, and looks forward to its geographic expansion and successful implementation.

The Extractive Industries Transparency Initiative has brought together people who neither talked to each other before nor did they discuss issues of transparency. Governments, companies, investors, civil society organisations, are now around the table, and they are around the table not only in Doha but also in 25 candidate countries on three continents.

The work of EITI depends on many actors – governments, companies and civil society. There is no single constituency responsible for transparency-related issues in the extractive industries. Neither the companies nor the governments can be the only ones to bear the burden of the problems that may arise from complex dealings around highly valuable resources. In addition to the joint responsibility each player also has its own responsibility. Governments of producing countries have to disclose their extractive revenues. Companies have to disclose sufficient financial and technical information on a country-per-country basis. When companies and governments work together for the disclosure of information, they empower civil society.

This shared tripartite responsibility is reflected in equal voting rights on the EITI board, as was decided on Monday. It has to be reflected at the country level as well, which has not always been the case. We need to understand that EITI is not a contract negotiation, with only government officials and company executives around the table. EITI's real and unique value lies in the critical work of a civil society with sufficient rights and adequate protection of activists. It is through civil society that political accountability is secured. This in turn accelerates the EITI process, producing revenue transparency. Clearly, civil society is not ancillary and must be an equal partner.

The transparency we strive for is not transparency for its own sake, but for the sake of empowering civil society and bringing about change in the way people live. Why is that? Because the people in the country have a right and need to know how their extractive wealth is being used, just as shareholders have a right to know how their money is being used. If citizens don't have this very simple, straightforward information, they can not demand political accountability. They can not hold public stewards in charge of this valuable – invaluable- natural resource to account. Holding them to account, we make it possible for the political process to work properly and break the monopoly of the few that underlies so much of the resource curse.

EITI has to be present in all the key producing areas of the world. Good progress has been made in Central Asia and Africa, for which we congratulate those governments, but much more needs to be done in the Middle East, in Latin America and in the OECD countries. The implementation of EITI by OECD countries is especially important to the sustainable success of EITI, and no country should exempt itself. We

welcome the Norwegian candidacy and strongly urge the other resource-rich OECD countries to seriously consider following suit.

Civil society organisations indeed have a crucial role to play. It is obvious at a local level, because without them, no serious implementation can be considered. It is also true of global NGOs or coalitions, like Publish What You Pay, Revenue Watch Institute, Secours Catholique, Oxfam, or Transparency International, which is both global and local. From our side, we complement EITI and will pursue our work on the producing countries in coalitions and partnerships such as with Revenue Watch Institute, and on the companies which will be covered in a renewed approach by the next iteration of our report on revenue transparency in oil and gas. With Eduardo Bohorquez from Transparency International now elected to the board of EITI, our own as well as civil society's voice and contribution in this multi-stakeholder movement has gained in importance.

EITI must succeed. The next two years will be decisive, and EITI can count on the full support of Transparency International. Together, governments, companies and civil society organisations can through transparent resource governance, finally end one of the most tragic paradoxes of our time: "rich resources, poor people".