

Short WORKSHOP REPORT FORM

Number and title of workshop: WS 2.4 From the Underground to the Sunlight. Ensuring Transparency of the Extractive Wealth.

Coordinator: Francois Valerian, TI

Date and time of workshop: November 12, 2010. 9.00-11.00

Moderator: Francois Valerian, TI

Rapporteur: Ann-Sophie Schmitt

Panellists

Peter Eigen, Chair EITI
Juan C. Quiroz, Revenue Watch Institute
Eduardo Bohorquez, Managing Director, TI Mexico
Baiba Rubesa, Head of Corporate Social Responsibility, Statoil
Isabel Manilla, Director, Publish What you Pay, USA
Gabriele Zoeller, Federal Ministry for Economic Cooperation and Development, Germany

Main Issues Covered

TOP 1: Where stands EITI now and what are the future tasks

TOP 2: Presentation of the 2010 Revenue Watch Index on Transparency of Governments and the Oil, Gas and Mining Industries; evaluation of the question, whether the RWI-Index can be used as a tool for civil society to demand more transparency and information access

TOP 3: Demonstration of the progress in transparency and of the improvement of information access in the extractives in Latin America

TOP 4: Evaluation of the role of the oil industry in the EITI-framework and questioning whether and how the oil industry can be transparent

TOP 5: Presentation of Publish What You Pay, examples about the work and achievements of PWYP, as well as clarification of the important role of civil society concerning the strengthening of the transparency process in the extractives

TOP 6: Evaluation of the question, which role the North plays to achieve transparency in the extractives

TOP 7: Questions

Main Outcomes

TOP 1:

EITI has so far made great progress: there are currently 5 countries compliant and 29 countries having the status as EITI-Candidate countries, whilst many others are interested in getting a Candidate.

The work of EITI, although mainly focusing quite narrowly on creating transparency in the budgetary processes of resource-rich countries, has furthermore widespread impact on other areas and helps to implement democratic rights etc. in general, what underlines its importance.

TOP 2:

The presentation of the Revenue Watch Index demonstrates on one hand, that there are already very effective measures existing in order to give civil society specific tools to enhance transparency in the Extractives, and on the other hand it gives the possibility to follow the progress or backward progress of the different countries concerning the topic.

TOP 3:

The demonstration of the case studies in Latin America clarify that there has been general progress in regard to the enhancement of transparency in the extractives thoroughly developing and having passed several tools and acts on freedom of information at the national levels.

TOP 4:

The question of whether the oil industry can be transparent has to be answered with yes, and namely concerning companies such as Statoil there has been significant progress in publishing information, for example thoroughly publishing an annual report since 2008. Furthermore, it becomes clear that a transparent process is in the interest of all stakeholders

TOP 5:

Via actions of civil society organizations, namely aggregations such as Publish what you Pay, civil society is given a very important voice to enhance transparency and help at the same time to contribute to other global standards. Given examples are the Cardin-Lugar provision in the Dodd-Frank Act, which empowers civil society and at the same time may serve as a model for further activities.

TOP 6:

The north plays an important role concerning the implementation of EITI, and namely through support action of countries such as Germany, which gives financial and political support, the whole process is given possibilities to move an important step forward and at the same time creates a win-win situation for all partner-countries.

Main Outputs

-It is important to continue to update tools such as the RWI, as well as not only using it as a tool for civil society, but also extending it to governments and companies.

-The case studies of Latin America demonstrate that there are standards on fiscal transparency, which have to be developed further (the more tools you have, the more effectively you can enhance progress).

-It is important not to cover up not only at the national level, but taking into account the international operation field of companies. Become aware of the missing links: who is using information and what kind of dialogue is needed?

-The example of Latin America clarifies also, that there are still big gaps existing between the theoretical framework (passing acts on freedom of information etc.) and the de facto implementation of these rights.

-although there has been significant process concerning the enhancement of transparency on the part of the oil industry, there is still a long way to go.

Recommendations, Follow-up Actions

-There has to be a continued development of guidelines in order to achieve further cooperation between different stakeholders (multi-stakeholder engagement) and to sensitize governments and companies concerning the fact that transparency in the budgetary process serves all of the different parties.

-The tools and knowledge already existing have to be updated, and most of all, the USE of these tools must start, as they are for example, giving the important opportunity for countries to compare what other countries are undertaking, concerning the achievement of transparency in the extractives (RWI-Index, TI-Indexes, PWYP action outcomes etc.)

-Tools and strategies to enhance the transparency process have to be developed further (see conclusions of case studies in Latin America – the more tools, the more the whole process can be strengthened)

-Specific challenges to transparency and weaknesses, namely at the regional and local level have to be identified, and as a consequence, adequate strategies and solutions need to be developed.

-Civil society has to be motivated to use the opportunities for action and general awareness has to be raised.

Workshop Highlights (including interesting quotes)

-Examples such as the Cardin-Lugar provision in the Dodd-Frank Act, as well as the explanation of the action undertaken on the side of the oil-companies, such as Statoil (annual reporting etc.) demonstrate the effective work and the linkages of EITI and give an example of how EITI standards are implemented or followed, as well as how multi-stakeholder engagement can be created.

TOP 7:

The questions on the part of the audience demonstrate that there is great interest in the work of EITI, and to join EITI, but it becomes also clear that there are still many obstacles concerning the work of EITI. For example, how to implement transparency when a difficult environmental situation is given (where resources are the cause of war etc.).